



'I Used to Live Here' / A Reporter's Emotional Sojourn

## Back to the Havana She Once Called Home

By Mirta Ojito  
New York Times Service

**H**AVANA — This is the moment when, in my dreams, I begin to cry. And yet, I'm strangely calm as I go up the stairs to the apartment of my childhood in Santos Sánchez, the only place that, after all these years, I still refer to as *la casa*, home.

I am holding a pen and a reporter's notebook and, as I always do when I am working, I count the steps: 20. In my memory, there were only 16. The staircase seems narrower than I remember, the ceiling lower.

Perhaps I have grown taller, perhaps my hips have widened with age and pregnancy. I am huying mental time, distracting my mind from what I am certain will be a shock.

After 17 years and 8 months, I have returned to Cuba as a reporter.

I am here to cover the visit of Pope John Paul II, not to cry at the sight of a chipped, old tile on the floor.

The last time I went down these steps I was 16 years old and a police car was waiting for me and my family downstairs. They had come to tell us that my uncle, like thousands of other Cuban exiles who had returned to Cuba to claim their relatives, waited at the port of Mariel to take us to Miami in a leased shrimp boat.

It was May 7, 1980, the first days of what became known as the Mariel boatlift, the period from April to September 1980 when more than 125,000 Cubans left the island for the United States.

That day I left my house in a hurry. The police gave us 10 minutes to get ready and pack the few personal items we were allowed to take: an extra set of clothing, some pictures, toothbrushes. Everything else, from my books to my dolls and my parents' wedding china, remained behind. There were dishes in the sink and food in the refrigerator. My underwear in a drawer and my mother's sewing machine open for work.

Since then, I have often thought about this house, remembering every detail, every curve and tile and squeaky sound: the green walls of the living room, the view from the balcony, the feel of the cold tiles under my bare feet, the sound of my father's key in the keyhole and the muffled noise from the old refrigerator in the kitchen.

A stranger opens the door and I tell her who I am and what I used. "I used to live here," I say. "I'd like to take a look."

Surprisingly, she knows my name. She asks if I am the older or the younger child who used to live in the house. I say I am the older as I look over her head. Straight into my past. My home remains practically as we left it, seemingly frozen in time, like much of Cuba today.

There, to the right of the bedroom's door, is my father's handiwork — two glass shelves he screwed into the wall — and my mother's set of orange and green glasses. Later, I learn that no one ever drinks from those glasses; if they break, the new owner of the house tells me, they cannot be replaced. Under the shelves is my bookcase, painted a fresh coat of dark brown. A carpenter friend of my father's had built it for me when I was a little girl.

**M**Y BOOKS are gone, though. When the Cuban government declared a few years ago that it had entered a "special period" of shortages and books all but disappeared, she took my books to the school where she teaches. I am pleased to hear that it is a much nicer fate than I had imagined.

One book remains, "Captain at 15," by Jules Verne. I want to take it to New York with me, to show it to my son. But I do not say anything and the yellowing book remains there, inside the bookcase. My mother's pots and pans are in the kitchen. The old wooden ironing board remains where it always was, behind the door to the patio.

This is a strange feeling. I knew I would face my childhood by coming here, but I never expected to relive it as I am doing now. I go out to the balcony and, as on cue, I hear someone calling out my childhood nickname: "Mirtical! Mirtical!"

For a moment, I do not know who is calling or even if the call is real. It sounds like my mother calling me for dinner. But it is the neighbor from the corner who looked up from her terrace and some-



Left: Mirta Ojito, her home in Enamorados Street remains practically as she and her family left it nearly 18 years ago, seemingly frozen in time, like much of Cuba today.

how recognized me. I wave faintly. I want to stay in this apartment for a long time. I want to be left alone. But I cannot. It is no longer my home.

The Jimenez family now lives in the house. He is a truck driver, just as my father was. They have a 15-year-old son who sleeps on a sofa bed in the living room, just as my sister and I did. The government gave them the apartment a few months after we left. Their own house, nearby, had been badly damaged in a hurricane.

The floor tiles are lackluster and chunks of plaster have fallen from the ceiling. There is no light in the living room, because nowadays in Cuba lightbulbs are luxury items. But it is home. And, yes, I cry.

Despite their warm welcoming, I am acutely aware of what the Jimenezes may be thinking. For years, one of the propaganda campaigns that the Cuban government has mastered is that of insulting in ordinary Cubans the fear that exiles in the United States want to return to the country to recover the homes and businesses they lost when they left the country.

I have no interest in my former home and whatever furniture still exists there, other than a purely sentimental one. But I do not know what the Jimenezes are thinking. They are, however, extremely generous with their time and space. They serve me coffee. We discuss the good features of the apartment, as if this were a real estate transaction.

I roam through the house as if it were my own. When, upon leaving, I apologize for the inconvenience, Mr. Jimenez tells me: "Don't mention it. This is your home."

To Mirta Ojito, her home in Enamorados Street remains practically as she and her family left it nearly 18 years ago, seemingly frozen in time, like much of Cuba today.

I knew this would be an emotional visit. Before I mustered enough courage to go up to the apartment, I had walked through the neighborhood.

As my father asked me to do, I visit *la bodega* and search for Juan, the Spaniard who once owned it and, after it was confiscated by the government in the early years of the revolution, remained there as an employee of the state. He is retired now, but I find him helping out at another *bodega*. We chat. I take a picture for my father as he stands behind the counter with a pencil balanced behind his ear, as he always did.

I walk the streets and find faces I recognize. I approach some; others approach me because, they tell me, I remind them of my mother. Some call out her name, which is also mine: "Mirta, what are you doing here? You've come back?"

They tell me who died and who left. The son of my sixth-grade teacher lost a leg in a bicycle accident. My next-door neighbor left for Spain with his son, Pepito, to claim an inheritance. The musician from downstairs died of bone cancer; his daughter married an Italian and left.

**T**HE OLD movie theater is gone, demolished two years ago because it was crumbling with age and disrepair. Another theater has been condemned. The hardware store is now a government office. The streets are unpaved and full of potholes.

In a way, I'm reporting the story of a neighborhood, a typical one in Havana. But I'm also reporting the life I never got to have. Through their stories, I see what my life could have become. I search for parallels. I imagine myself as my neighbors.

Could I have become a professional like the two girls from the corner who now teach? Would I have left in a raft like my next-door neighbor? Or perhaps I would have gone crazy, like the woman across the street, Regina, who could not recall my name after years of electroshock and pills. Her husband was accused of counterrevolutionary activities in 1979 and executed.

After a second visit to the apartment, I leave. And I leave the way I left almost 18 years ago, profoundly sad, surrounded by friends and neighbors, people glad that I remembered them, unselfish people who are happy that I left and live better than they do.

Who says that Cubans are divided by politics or even by an ocean? In Enamorados Street, my home and my people remain.

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## Power Cuts Hit 220,000 As Storm Batters Florida

The Associated Press

MIAMI — A powerful storm packing tornadoes and drenching rain struck southern Florida on Tuesday, leaving 220,000 people without power and driving ships aground. At least one person was killed and several people had to be rescued at sea.

As the storm blew in from the Gulf of Mexico and moved slowly northward, states along the East Coast braced for rain, wind and snow.

At least four tornadoes hit the Miami area and another struck near Fort Lauderdale.

A second major storm hammered California, leaving thousands without power Tuesday and causing flooding that shut down Amtrak train service along the entire West Coast and closed highways.

Flood warnings were posted Tuesday for parts of California, North Carolina and Tennessee, with coastal flood watches on the Atlantic shore as far north as Chesapeake Bay. Winter storm warnings were issued for the Sierra Nevada mountains in California, southern Nevada and northwestern Arizona, while snow warnings were in place for West Virginia.

El Niño, the Pacific warming phenomenon that affects weather patterns worldwide, was believed to be influencing the path and strength of the storms on both coasts.

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## Europe

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Forecast for Thursday through Saturday, as provided by AccuWeather.



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## WEATHER

Asia

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# Deaths Drop as AIDS Improves

compared with 19,3 people a year earlier. Since the early days of the AIDS pandemic, New York has been one of the hardest hit of American cities. Although it has only 3 percent of the nation's population, it has 16 percent

of all AIDS cases.

Nationally, the number of newly reported AIDS cases dropped 12 percent in 1996, compared with 33,590 in the first six months of 1996.

Many speakers in Chicago, however,

and in other areas where many people

are taking the combination therapies

are optimistic about the future.

Germany to Rule

On Law Curbing

Smoking in Offices

BONN — Traditionalists, who

smokers, are not impressed by

the places. Germany plans to

reduce one of Europe's

smoking laws, Parliament

today.

Clouds of smoke are rising above

the city. A common sight

in Germany, the

smoking culture is

now being curbed.

According to the state of the

state, the new law will

reduce the number of

smokers in the office

by 20 percent.

Under the new law,

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## INTERNATIONAL

## Readyng Air Strike on Iraq: Wary Saudis Remain Key to Equation

By Barton Gellman  
*Washington Post Service*

RIYADH — When the U.S. secretary of state, Madeleine Albright, sat down to dinner amid the auburn hills and circus-size tents of the crown prince's desert encampment, the highest question of her Gulf mission was on the table: whether U.S. warplanes would be allowed to use Saudi air bases to stage air strikes on Iraq.

More than seven hours later, long past nightfall Monday and long beyond schedule, Mrs. Albright emerged tense and drawn without an answer. Of the military requests she said only that Prince Abdullah ibn Abdulaziz "took them all on board."

"I did lay out some of the military issues to the crown prince," Mrs. Albright said. "He wanted to consult with other members of his government."

Mrs. Albright added, however, that Riyadh and Washington agreed that Baghdad was to blame for the crisis over United Nations inspections of suspected Iraqi nonconventional weapons sites. "Responsibility" for this "falls squarely on the shoulders of Saddam Hussein," she said.

Sources in Riyadh, meanwhile, said that the emir of neighboring Kuwait, Sheikh Jaber al Ahmad as Sabah, gave Mrs. Albright permission Sunday for U.S. F-117A Stealth fighters and A-

10 ground-attack aircraft to strike at Iraq from Jaber Air Base in southern Kuwait should diplomacy fail to bring Baghdad's full compliance with UN disarmament conditions imposed after the 1991 Gulf War.

Bahrain, the next focus of Mrs. Albright's eight-night tour, was regarded by the Clinton administration as likely to add its consent for attacks by U.S. B-1 bombers and F-16 and F-15 fighter jets deployed at Bahrain's Sheikh Isa Airfield, where they have been stationed since November.

But the Saudi position represents larger stakes than that of any other nation in the region, both diplomatically and operationally. The Clinton administration would like more than a pair of tiny Gulf emirates to demonstrate Arafah support for an air offensive against Iraq.

Moreover, the U.S. military urgently needs Saudi airspace and airfields to launch enough missiles and bombing raids to "put at risk the things that matter most," to Mr. Saddam, as General Anthony Zinni, chief of the U.S. Central Command, recently described the goal of any air offensive.

To that end, U.S. officials in Riyadh and in Washington say they hope for at least the same answer to the U.S. requests that Saudi Arabia has given twice before since the Gulf War: "yes" to the use of refueling, radar-jamming and AWACS

battle-management aircraft, even though it said "no" to bombers and missile launchers.

Part of the reason Saudi help is needed is that time would be crucial in the air campaign.

Some members of President Bill Clinton's senior foreign policy team have acknowledged that allied and world reaction, especially among Arab states, will impose practical limits on the duration of any air bombardment. Thus, if time is short, land-based American and British warplanes will have to fly a high number of sorties daily to inflict substantial damage on Iraq's conventional and nonconventional military forces.

General Merrill McPeak, who was air force chief of staff during the Gulf War and is now retired, was quoted after the conflict as saying that warplanes launched from aircraft carriers against an adversary are like drizzle, while their land-based counterparts deliver blows "like Zeus."

The simile is exaggerated perhaps and not much regarded by the navy, but it contains a grain of truth. Strike aircraft aboard three U.S. carriers and one British carrier in the Gulf region — along with cruise missiles from escorting warships and from B-52 bombers based on the Indian Ocean island of Diego Garcia — can and would be part of any air campaign. But defense officials say they lack the needed combination of heavy payload and rapid turnaround time that enables one

aircraft to fly several missions each day.

That makes Saudi Arabia a crucial partner in any sustained air assault because it hosts nearly one-third of the U.S. aircraft in the region and controls a large part of the available airspace and airfields near Iraq.

Mrs. Albright is leaving military details to Defense Secretary William Cohen, who is scheduled to visit Riyadh next week. But officials said she set out to persuade Prince Abdullah — who has taken on much of the authority of his ailing half-brother, King Fahd, and is less enthusiastic than the monarch about the U.S. alliance — that his country cannot sit out the fight, if it comes to that.

"The Saudis don't have any sympathy for Saddam Hussein, but they do have to worry about their own public opinion of the suffering of the people of Iraq," a U.S. defense official said.

The question is how many pictures of dead bodies can they stand, because we know Saddam is going to give them those pictures, even if we conduct the perfect air campaign.

Saudi military cooperation could come in a number of forms, some vital and all of them desirable, according to U.S. officials. The first, nearly impossible to operate without, is permission for attacking jets and missiles to fly over Saudi territory. There is simply not enough room in the bottleneck of international airspace formed

at Iraq's southeastern border for all the traffic required of a substantial air campaign. In any case, defenseless aircraft such as AWACS and fuel tankers need to hang back over Saudi airspace to avoid the fray.

Another key request that U.S. planners have made is for the use of Saudi bases for the scores of support aircraft needed by the strike planes. These support planes include the AWACS aircraft that synchronize all the other warplanes; EF-111 radar jammers used to Iraqi air defenses; KC-135s used to refuel fighters flying long air patrols, and EC-130s used to gather battlefield intelligence.

Also in this category but closer to a combat role are the F-15C fighters assigned to protect the other aircraft from Iraqi jets. The majority of all support aircraft in the region are based in Saudi Arabia.

A military officer closely involved in the plans said that if the United States could not use Saudi Arabia for support aircraft, then "I don't know if we could even pull it off."

In theory, aircraft carriers could take over the support responsibilities, but with scarce deck space and catapult availability, the vessels would lose much of their striking power. If carrier-based F-14 fighters had to fly combat air patrol, for example, they would carry missiles used to shoot down other planes instead of bombs.

## BRIEFLY

## Russia Backs Talks On Land Mine Ban

GENEVA — Russia on Tuesday joined the United States in calling on the world's main disarmament conference to negotiate a global ban on land mines — but made it clear it did not expect quick results.

It was the first time that Russia had spoken clearly in favor of the 61-nation Conference on Disarmament in Geneva working on a prohibition treaty that would include countries which refused to join the ban signed in Ottawa in December.

But in a speech to the disarmament conference, the Russian negotiator, Grigori Berdennikov, said countries that agreed to the ban should not try to force the pace in wider Geneva talks.

Russia, which has huge stockpiles of anti-personnel land mines, was not among the 121 countries that signed the Ottawa treaty banning their use, production and export. Neither was the United States, China or India.

"We support the beginning of a gradual process leading eventually toward achieving a truly global ban on the production, use and transfer of anti-personnel land mines," Mr. Berdennikov said. (AP)

## Kenyan Parliament Opens Amid Protest

NAIROBI — Dozens of opposition members of Parliament staged a noisy demonstration inside the Kenyan National Assembly on Tuesday during the first parliamentary session since elections on Dec. 29, witnesses said.

About 50 opposition lawmakers chanted and waved placards protesting perceived government indifference to a wave of ethnic violence in which more than 100 people have been killed since Jan. 11. The chanting continued when President Daniel arap Moi arrived to take his seat, and dozens of opposition members refused to stand as he entered the chamber.

But opposition threats to disrupt the election of the speaker of the house faded, and Francis ole Kaparo, a member of the governing Kenya African National Union, was re-elected for a second five-year term.

The governing party has 113 seats in the new Parliament, Kenya's eighth since independence in 1963. Opposition parties have a total of 109 seats. (Reuters)

## 15 Slain on Road In Western Algeria

ALGIERS — Attackers disguised as police officers set up roadside blocks and killed 15 people in western Algeria near the border with Morocco, a communiqué from the security services said Tuesday.

The victims were traveling separately in three cars when they were attacked Monday near the town of Tlemcen about 550 kilometers west of Algiers, the communiqué said.

Most of them had their throats slit; residents of the region who spoke on condition of anonymity said.

The food was worth more than \$400,000, according to a federal indictment.

Carlos Fernandez, 52, a Cuban residing in the Miami area, and Kenneth Boyer, 42, an American resident of Santo Domingo, admitted that they were part of an operation that shipped food through the Dominican Republic to Havana, the government said.

Mr. Boyer also was fined \$30,000. (AP)

## Iraq Parallel With Vietnam

## Senate Resolution Strikes Some as a 'Blank Check'

By Helen Dewar  
*Washington Post Service*

WASHINGTON — When Senate leaders proposed a resolution last week urging President Bill Clinton to "take all necessary and appropriate actions" against Iraq, they intended a strong bipartisan message to President Saddam Hussein that the United States means business about forcing destruction of Iraq's weapons of mass destruction.

Instead, the broad sweep of the resolution has stirred memories of the Gulf of Tonkin resolution that President Lyndon Johnson used to escalate U.S. involvement in the Vietnam War. As a result, it has invited debate over the administration's long-term strategy on Iraq.

Critics of the resolution have not objected to the administration's declared plans for air strikes against Iraq if its leaders do not allow unrestricted weapons inspections, although some have misgivings about the plans. Rather, they are taking issue with what they see as a "blank check" for military escalation without a vote of Congress — as happened after 1964, when Congress sanctioned "all necessary measures" by Johnson to repel attacks on U.S. forces in Vietnam and "to prevent further aggression."

Even though the Gulf of Tonkin resolution had the force of law, unlike the proposed oboobinding resolution on Iraq, some legislators argue that the current measure could be used as a tacit endorsement of an expanding military mission, including possible deployment of American ground troops.

"When I read that language, all the bells and whistles went off," said Senator Richard

Durbin of Illinois, one of several Democrats who are urging changes in the resolution to acknowledge constitutional and legal limits on presidential use of military force.

"I've been down that road before and don't want to go down it again," said Senator Max Cleland, a Georgia Democrat who lost both legs and one arm in a grenade explosion during the Vietnam War. "My point here is that there shouldn't be a rush to judgment" which he said was the case with the Gulf of Tonkin resolution.

Even some who support the resolution, such as Senator Joseph Biden Jr. of Delaware, the ranking Democrat on the Foreign Relations Committee, argue that Congress should go further and vote on formal authorization of military action, including air strikes.

In addition, senators say there are strong, although largely unspoken, concerns about where administration policy is headed, including how the United States will respond if air strikes fail to result in Iraqi cooperation with weapons inspectors.

A vote on the resolution, originally targeted for last week, was put off until after a briefing on Iraq on Capitol Hill by Defense Secretary William Cohen and the national security adviser, Samuel Berger.

Senators, meanwhile, were exchanging proposals for a compromise. The Senate majority leader, Trent Lott of Mississippi, who drafted the proposal with the support of the minority leader, Thomas Daschle of South Dakota, said he was "not wedded" to the original wording but did want language with "some punch to it." There was never an intention to authorize ground troops, the Republican added, and the resolution would not do so.



CONFRONTATION — A Palestinian whose house was being bulldozed threatening Israeli soldiers with a stone Tuesday in Ras Karak, West Bank. The Israelis said the house had been built illegally.

## ISRAEL: Nation Gloomy Over the Stalled Peace Process

Continued from Page 1

Bill Clinton failed to find a solution. Low-level officials were not likely to.

"Such visits to Washington are motion without movement in a bid to convince the public that the process is alive, since the only thing that Netanyahu and Arafat fear is that they will be blamed by the U.S. for the halting of the process," Mr. Makovsky wrote.

A poll taken by Tel Aviv University indicated that a majority of Israelis surveyed were convinced that the peace effort had basically come to a stop, and an even greater majority was worried about this.

Every diplomatic effort to "reach a peaceful solution to the current crisis should be fully explored," but "failure of such diplomatic efforts will have grave consequences, the full responsibility for which will lie with Iraq."

The Bahraini statement stopped short of endorsing the slightly more bellicose language of France and Kuwait that "all options are open" if Iraq failed to cooperate with UN inspectors. But it represented solid diplomatic support, and U.S. officials said they had little doubt that the emir would back the use of force if it comes.

In Baghdad, meanwhile, a French envoy, Bertrand Dufourcq, arrived Tuesday with a message from President Jacques Chirac to Mr. Saddam.

The French emphasized "face-saving" ways, an official said, of restarting talks about access to the weapons sites without Mr. Saddam appearing to have been beaten.

One possibility likely to be discussed was having the UN inspectors at the sites be accompanied by diplomats from member-countries of the UN Security Council. Since the sites are designated presidential, officials explained, the presence of diplomats could grant more "dignity" to the visits.

## ■ Russian Envoy in Iraq

Russia said its efforts to get Iraq to obey UN demands and head off military action were progressing, Reuters reported from Moscow.

But the outcome of talks by a Russian envoy, Viktor Posavayuk, was unclear after Baghdad denied Russian reports that Mr. Saddam had agreed to open eight new presidential sites to UN arms inspectors.

Also Tuesday, Baghdad criticized a UN proposal to increase oil sales under its oil-for-food deal, saying the move aimed at stealing "half of Iraq's oil wealth."

Violence was demonstrated when a group of Israeli soldiers began moving toward the Palestinian-controlled part of the road into the city and several Palestinian soldiers stepped out with automatic rifles. After a few tense moments, the Israelis retreated.

The failure of President Clinton's meetings with the two leaders, and of Mrs. Albright's follow-up visit over the weekend, were largely overshadowed here by Mr. Clinton's domestic and legal problems and by the threat of a war with Iraq.

The major question in the media in recent days has been whether a U.S. attack on Iraq would expose Israel to the threat of Iraqi chemical or biological attack, although government officials have repeatedly sought to assure Israel that Iraq has not been threatening Israel.

Nonetheless, Israel has been converging on distribution centers for gas masks in recent days to replace the obsolete masks they were issued during the Gulf War in 1991.

Israeli television Monday showed four American-made Patriot anti-ballistic missiles being deployed on dunes in the Negev. The army said the deployment was a "routine training exercise."

The United States issued Patriot missiles to Israel during the Gulf War as a defense against Iraqi Scud



Crown Prince Hassan of Jordan, right, greeting Bernard Dufourcq, the French envoy, at the palace in Amman on Tuesday. Mr. Dufourcq later went on to Baghdad with a message for Saddam Hussein.

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## Côte d'Azur:

Where Multimedia Flourishes on February 5, 1998

International Herald Tribune  
THE WORLD'S DAILY NEWSPAPER

# Equation

western border for all the traffic and substantial air campaign. In any aircraft such as AWACS are used to hang back over Saudi air space. The request that U.S. planners have bases for the scores of aircraft needed by the strike planes include the AWACS aircraft. All the other warplanes are used to refuel fighters flying long distances. C-130s used to gather battlefield

## Long Spell Of Drought Seen in Asia

### El Nino Effect to Cause More Harm in Southeast

By Thomas Crampton  
*International Herald Tribune*

**BANGKOK** — The drought in Southeast Asia will cause billions of dollars in damage and continue at least until March, climate experts said at a conference organized by the Asian Disaster Preparedness Center in Bangkok on Tuesday.

Brought on by the weather pattern known as El Nino, the drought crippled harvests throughout the region last year and created severe food shortages in Papua New Guinea and parts of Indonesia.

El Nino, which occurs every few years, is a vast pool of abnormally warm water brought about by changes in atmospheric pressure and ocean movements in the equatorial Pacific. The current El Nino, which is considered particularly powerful, has disrupted weather around the world and will probably delay the start of this year's rainy season, the climate experts say.

El Nino has a particularly strong effect on Indonesia's rainfall, said Nicholas Graham, director of the experimental forecast division of the International Research Institute for Climate Prediction. "Indonesia is ground zero for El Nino," he said.

The exceptionally dry weather contributed, for example, to the severity of the Indonesian forest fires that blanketed Southeast Asia with haze last year. And the drought will no doubt aggravate the economic woes of a region that is already reeling from a currency crisis.

"Layoffs and rising prices have already started because of the monetary crisis," said Sri Diharto, director-general of Indonesia's Meteorology and Geophysical Agency. "In the next few months people will also begin to realize the impact of El Nino."

The Indonesian province of Irian Jaya, on the western side of New Guinea, was particularly affected by the drought last year, prompting the International Red Cross to begin a relief operation there.

But the impact of reduced harvests has been diminished for many Indonesians by rice stores. Mr. Diharto said: "When stocks run out, El Nino will be felt by all the people" in Indonesia, he said.

## Russia Backs Talks on Land Mine Ban

GENEVA — Russia on Tuesday joined the United States in calling for the world's main disarmament conference to negotiate a global ban on land mines — but made it clear it did not expect an immediate ban.

It was the first time that Russia, spokesman for the Conference on Disarmament in Geneva, had supported a proposal that could well include mines which kill and maim.

On a visit to Geneva on Tuesday, Russian Foreign Minister Grigory Fesenko said he had no objection to the proposal.

Russia, which has been a major supplier of anti-personnel mines to the former Yugoslavia, signed the ban in 1997, but has not ratified it.

Other countries that have signed but not ratified the ban are Britain, Canada, France, Germany, Italy, Norway, Sweden, Switzerland, the United States and Yugoslavia.

Russia's support for the ban was welcomed by the United States.

U.S. Defense Secretary William Cohen said: "Russia's support is important to us."

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## EUROPE

**Beijing's Ban on Overflight Blocks Balloon Record***Compiled by Our Staff From Dupax*

GENEVA — A European team's dream of circling the globe nonstop in a balloon appeared dashed by China's refusal of overflight rights Tuesday, but team members were still hoping that Beijing would relent.

The Breitling Orbiter 2 control center said chances of making the historic global circuit were "zero" without a Chinese change of heart.

"The Breitling Orbiter 2 will not be

able to complete its nonstop around-the-world if it is not allowed to pass through Chinese airspace," the control center at Geneva airport said.

"We'll make our decision tomorrow at midday," the Swiss aeronaut and psychiatrist Bertrand Piccard, 39, said Tuesday. "We've got no reason to land as long as we encounter good winds and still move forward."

The balloon hovered over northern India at a height of 2,500 meters (8,200

feet) late Tuesday as the crew clung to the hope that Beijing would drop its objections that the balloon was a risk to other aircraft. However, the Breitling center conceded that a Chinese change of mind was "improbable."

Organizers said the balloon would not have enough fuel to cross the Pacific Ocean if it had to take a longer route around China.

The balloonists had hoped to take advantage of rapid jet-stream winds that

would have swept the balloon across southern China to the Pacific. This would have enabled them to reach California in four days and North Africa — their planned finish line — in seven days.

But Chinese authorities said commercial and military aircraft used the jet stream and that air traffic was heavy because of the Lunar New Year holiday, according to diplomats.

"They cannot guarantee the security of the balloon and the security of civilian air traffic," an official at the Swiss Embassy in Beijing said.

The current flight is the 14th attempt to circumnavigate the globe by balloon. The British tycoon Richard Branson is expected to make another bid from Morocco soon.

Mr. Piccard, the Belgian pilot Win Verstraeten and the British flight engineer Andrew Elson received congratulations from the U.S. balloonist Steve Fossett for having surpassed his world endurance record.

They passed his mark of 6 days, 2 hours and 44 minutes; although the American businessman went three times as far — 16,000 kilometers (10,000 miles) — in his Solo Spirit.

The ground crew at Geneva's Coinin Airport broke out champagne at the news. "It's the icing on the cake, but unfortunately, we haven't got the cake," Mr. Piccard said.

Alan Noble, the Breitling flight director, said his crew had "taken longer to cover some 3,000 miles than Fossett took to do 10,000." He said that was "an indication of how slow and cruel the winds have been."

The team could still pick up the jet stream if China gave the go-ahead to overfly its territory by midday Wednesday.

"Practically speaking, once the jet stream slips away, the flight will call itself off," Mr. Noble said.

"Even if the permission comes through, at this late stage it may be too late for the balloon to climb up and use the jet stream winds."

"We are hanging by one slender thread at the moment."

If Beijing maintains its refusal, the balloon will have to change course over Asia — missing the speedy jet stream essential to the bid's success.

Options included continuing south to Burma, Laos and Vietnam so as to circumvent China or landing in India or Bangladesh sometime late Wednesday or Thursday.

The Orbiter lifted off from Chateau d'Ex, Switzerland, last Wednesday and had flown 5,819 kilometers by midday Tuesday, according to Mr. Noble.

It had enough kerosene to fly for a few days, although some 600 liters (158 gallons) were inexplicably lost early in the flight, he added.



**A MUZZLED VOICE** — Emma Bonino, the European commissioner for humanitarian affairs, speaking Tuesday to an Afghan woman at a Brussels news conference. The woman, speaking on condition of anonymity, denounced the Taliban regime as repressive to women.

ture Ministry, 8,016 cases had been recorded in 1996.

For 1999, Mr. Patison said he expected a further decline to 641, with 235 cases by 2000. (Reuters)

**A Victory for Simitis****Allies Press Muslims To Reopen Sarajevo**

SARAJEVO, Bosnia-Herzegovina — The United States and its allies turned the heat on Muslims on Tuesday to force them to reopen Sarajevo to other ethnic groups.

In a final declaration of the Sarajevo Returns Conference, organizers insisted that at least 20,000 Serbian and Croatian refugees be allowed to resettle in the city this year. The draft was to be voted on late in the day.

Sarajevo must be "truly multiethnic," the draft said.

Its blunt language reflected frustration at what international officials see as Muslim foot-dragging on refugee returns. (AP)

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## INTERNATIONAL

# High Court Lets Texas Proceed on Execution

Woman's Fate Is Left in Hands of Governor

Compiled by Our Staff From Desks

HUNTSVILLE, Texas — Hours before her scheduled execution, Karla Faye Tucker had a U.S. Supreme Court appeal seeking to stop her execution denied on Tuesday, leaving her fate in the hands of Governor George Bush.

An accomplice, Daniel Garrett, was also sentenced to death but died of liver disease in prison.

Because of her sex and religious conversion, her cause attracted support from around the world, with appeals for clemency coming from Pope John Paul II, the United Nations and the European Parliament. In Rome, demonstrators gathered outside the U.S. Embassy, holding candles and banners saying "Clinton save Karla Tucker."

"We are here to stop the execution of Karla Tucker, who is a different person from the one who committed the murder 15 years ago," said Gaia Rosini, a Rome resident.

Ms. Tucker was to spend Tuesday morning saying good-bye to family and friends and getting counseling from a minister and a "trauma team" to ease anxiety, a prison spokesman said.

Ms. Tucker was to be taken to a cell next to the death chamber and allowed no more visitors. She was to shower and change into the clothing she selected for the execution: a fresh, white prison uniform, the only wardrobe she has known for 14½ years.

In midmorning, she was to eat her last meal, which she selected: a banana, sliced peach and salad with ranch or Italian dressing. The prison spokesman said she would be led to the death chamber and strapped to a gurney at 6 P.M., given a few moments to make a final statement, then put to death by a lethal mix of chemicals injected into her arm.

(AP, Reuters)

"Texas has no mercy," said her attorney, David Botsford. "The clemency process in this state is a farce."

Waly Bacre Ndiaye of Senegal, a UN specialist on summary and arbitrary executions, sent an "urgent appeal" on humanitarian grounds to Texas authorities to spare the convicted murderer.

"It is simply a humanitarian appeal," said John Mills, a UN human rights spokesman.

Ms. Tucker was calm after a restful night Monday and increasingly resigned to her apparent fate, said Larry Todd, a spokesman for the Texas Department of Criminal Justice.

"She continues to say she's right with her lord," Mr. Todd said.

Ms. Tucker, 38, received the death penalty for the 1983 pickax murders of

## JET: 20 Die as Plane Slices Ski-Lift Line

Continued from Page 1

train, near the Austrian and Swiss borders.

Fragments of metal were scattered around the cabin, which had crashed meters away from a densely wooded area.

Dozens of rescue workers, including Alpine rescue teams, firefighters and police with at least three helicopters, worked for hours around the wreckage, and spokesman said they were removing and identifying the dead, 11 men and nine women.

Weather conditions were calm.

The resort, in the lower-level Dolomites, tends to attract local people and families, unlike the more fashionable ski spots like Cortina d'Ampezzo or Courmayeur, though it does have a foreign clientele.

"We saw and heard a plane flying at a very low level," said Cristina Antoniazzi, owner of La Cascata hotel, which is near the cable-car lines.

"This is a valley," she added, "where airplanes always fly at a low level — too low."

The plane was an EA-6B Marine Prowler, stationed at the U.S. air base in Aviano, about 100 kilometers east of the scene of the accident.

The plane, which had been on a training mission, returned safely and the pilot was unharmed, though the aircraft suffered minor, unspecified damage, a base spokesman said. The EA-6B is a surveillance craft and normally carries a crew of four or five.

Base officials were investigating the case, and had spoken to the pilot. A spokesman said that the pilot was on a solo flight, but that no information on him was immediately available.

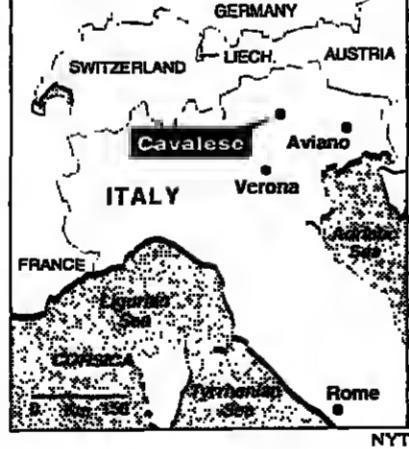
"The U.S. military expresses our deepest sympathy for all involved," the military said in a statement from Aviano.

While most passengers would have died in the fall, the damage was compounded by the bungee hook, which weighs several tons, holding the car to the cable.

"When that falls, it smashes everything," said a spokesman for the carabinieri paramilitary police.

The hook appeared to have crushed the roof to the floor almost in a "V" shape at the center of the cabin.

The cable car plunged into a part of



## CLINTON: Former Senior Adviser to the President Testifies Before Federal Grand Jury

Continued from Page 1

whether Ms. Lewinsky met with Mr. Clinton in the White House as recently as Dec. 28. (Related articles, Page 3)

It was not known what prosecutors asked Mr. Stephanopoulos. He was long close to Mr. Clinton, first as a spokesman during Mr. Clinton's 1992 presidential campaign and later as his spokesman and senior adviser, and his office in the West Wing of the White House was near the Oval Office. But since leaving the White House to become a television commentator, he has at times criticized the administration.

"I have faced demands to resign," he said in a statement.

"Considering that in this situation exercising the president's constitutional powers may cause a serious destabilization of the situation, I accept this demand and announce my resignation."

Mr. Ter-Petrosyan decided to quit his office after a bitter public debate with Prime Minister Robert Kocharyan over policy toward Nagorno-Karabakh, the disputed Armenian-populated enclave in Azerbaijan.

Mr. Ter-Petrosyan has urged concessions in the dispute, saying they could help Armenia repair its devastated economy.

## Armenian Leader Quits Over Policy in Nagorno-Karabakh

Reuters

YEREVAN, Armenia — The Armenian president, Levon Ter-Petrosyan, who has led the country since it gained independence when the Soviet Union collapsed in 1991, said Tuesday that he had resigned under pressure from political opponents.

"I have faced demands to resign," he said in a statement. "Considering that in this situation exercising the president's constitutional powers may cause a serious destabilization of the situation, I accept this demand and announce my resignation."

Mr. Ter-Petrosyan decided to quit his office after a bitter public debate with Prime Minister Robert Kocharyan over policy toward Nagorno-Karabakh, the disputed Armenian-populated enclave in Azerbaijan.

Mr. Ter-Petrosyan has urged concessions in the dispute, saying they could help Armenia repair its devastated economy.



An official of Hands of Cain, an Italian group that opposes capital punishment, protesting Tuesday in Huntsville.

## GERMANY: New Plan for Jobless

Continued from Page 1

jobs crisis is sure to remain acute in coming months. Horst Siebert, president of the Kiel Institute on the economy, warned against any hopes of a turnaround this year in the unemployment trend. In hard-hit Eastern Germany, one of every five adults is unemployed.

Despite four years of economic expansion, German unemployment has continued to smash successive monthly records. Deutsche Bank AG and the automaker Adam Opel AG are the latest blue-chip companies to awaken expectations that they will continue the nation's frantic downsizing.

Openly borrowing from the French strategy, an ad hoc committee for the jobless in Bielefeld said Tuesday that demonstrations were planned in 73 cities, with the number of cities rising daily. Some demonstrators planned to camp out in sleeping bags in front of German unemployment offices in order to occupy them when they open.

French protesters plan to join their German counterparts in Saarbruecken and Berlin. In Stuttgart, one banner already dryly congratulates the 5 millionth unemployed German.

The government's job plan would expand at the national level a plan already implemented in the Eastern city of Leipzig, where public jobs are offered to all welfare recipients, Mr. Fink said in an interview.

Germany's cash-strapped government can bankroll the plan on a tight budget, Mr. Fink argued, because municipalities that shoulder the costs of welfare simply recategorize the same funds as new payroll. Bonn would subsidize administrative costs for local authorities that sign up for the plan.

"If each city or local district found a job for six or seven people, it would create 100,000 jobs each year," Mr. Fink said.

More costly, however, is Mr. Fink's plan to create taxpayer-funded internships for school graduates.

Opposition politicians in the Social Democratic Party, who blame Mr. Kohl for the nation's unemployment, castigate the plan as unrealistic and as a way for Bonn to escape its responsibility for the unemployed by delegating the problem to local municipalities.

Some private economists also lashed out at the latest remedy. Jan Hatzius, an economist at Goldman Sachs & Co. in Frankfurt, said such labor market activism failed to attack the root causes of unemployment, which lie in the tightly regulated structure of the German economy, which politicians have been unwilling to reform.

**MORES: Support for Clinton Reflects Deep-Seated Changes in Attitudes in the Nation**

Continued from Page 1

exremely hard to summon up a vision of a president with a pristine public image.

Such reports that unfaithful husbands can be great presidents seems to lead to reactions like that of Patricia Riley, 38, a free-lance writer and divorced mother of two in Sunrise, Florida. Mr. Clinton has "done so much for the country," she said, "more than anyone else in my lifetime. It's the first time I've never felt oppressed by the government. I don't care who he sleeps with."

Of course, scholars of public opinion say, there are always several factors in the equation of a president's overall approval rating, and how much each is weighted depends on the circumstances. For example, George Bush enjoyed tremendous popularity during the Gulf War because he was seen as an able military commander, but as soon as it was over, attention shifted to the economy and his ratings plummeted.

In the case of Mr. Clinton, many commentaries and citizens borrowed the battle cry from his first presidential campaign, "It's the economy, stupid."

Robert Creditor, a Massachusetts lawyer and state senator, said a cab driver reacting to the scandal the other day told him: "Look, we're the only superpower left on the earth. We've got money in our pockets. Who cares?"

Nations, Bill Richardson, about a job. Mr. Richardson eventually offered her a job, but she turned it down.

White House lawyers were weighing whether to instruct Mr. Podesta and the White House deputy counsel, Bruce Lindsey, a close friend of Mr. Clinton's, to invoke at least a partial claim of executive privilege and refuse to testify about their discussions with the president. Officials told The Associated Press.

Mr. Lindsey, who may appear before the grand jury later this week, is expected to be asked whether he knows anything about a three-page document of "talking points" that Ms. Lewinsky had tentatively "proffered" in exchange for immunity from prosecution.

Indicating that matters were still unresolved, Mr. Ginsburg said that "we will be working full-time preparing a legal defense," which would be needed only if the immunity talks collapsed.

The president has avoided any public comment about the Lewinsky matter since he forcefully denied the allegations on Jan. 26.

But the White House spokesman, Michael McCurry, said that he expected questions would be asked when Mr. Clinton holds a joint news conference Friday with the visiting British prime minister, Tony Blair. He predicted to reporters that the president would "reiterate what he's already told you."

The two leaders are expected to discuss the looming confrontation with Iraq, peace in Bosnia, the Middle East, Northern Ireland, the enlargement of the North Atlantic Treaty Organization and other U.S.-European issues when they meet.

"That will be a lot of work," Mr. McCurry said. "And the president understands that they probably won't be

Diane Swoon, economist for the First National Bank of Chicago, said the key element in the allegations is that they have not affected people's pocketbooks.

"If times aren't good, the president can do whatever he wants — go out and win a war — it's not going to be enough," she said. "And when times are good, nothing else matters."

Nothing? Clearly, people draw a line about what they will accept. But where they are drawing it in this case is a source of concern for those who see an erosion of American moral standards.

The Reverend Anthony Brancken, a Roman Catholic priest in Chicago, said he was already worried by the loss of guilt and shame in American culture, the loss of clear distinctions between right and wrong.

Father Brancken asked, "Have we as a nation become so corrupted that, as long as we get what we want, as long as times are good and the money rolls in, that we don't care what the hell goes on?"

Part of the public's unwillingness to condemn, it seems, comes from the shifting-and nature of attitudes toward sexuality. Several voters said they did not condone adultery, but they also used terms like "bad boy" and "rogue" to describe the president — disapproving but tolerant terms. Polls have indicated that among young people and immigrants there is genuine bafflement by the fuss.

"We wouldn't have governments in Latin America if our standard was that there should be no extramarital affairs for politicians," said Maria Jimenez, director of an American Friends Service Committee project that provides services to immigrants in Houston.

In Chicago, Scot Helman, 22, recalled that when he was in high school near Columbus, Ohio, students were taught to chant the ways that HIV could be transmitted: "Blood, semen, vaginal secretions, breast milk, blood, semen, vaginal secretions, breast milk..."

"I can't fathom that anyone my age would be embarrassed by any of this," Mr. Helman said.

Several people interviewed also noted that questions about Mr. Clinton's sex life had been raised well before he was elected, and so accusations of adultery changed little.

"I think when we elected him, we knew we were electing a philanderer," said Nathan Kelly, a student at DePaul University in Chicago.

If one aspect of the past two weeks brought the greatest expression of concern, it was the indication of a truly daunting level of national cynicism about the people who run the country.

In Norman, Oklahoma, David Boren, the former U.S. senator who is now president of the University of Oklahoma, said that when he asked his freshman

American government class about the scandal, almost all the students said they believed Mr. Clinton was lying, and they tended to respond, "All politicians are crooks, very few of them tell the truth, few of them are faithful to their spouses, so why not have one who's smart and knows how to get things done?"

Mr. Boren said, "The attitude is, we really don't respect him, but what do you expect from a politician?"

"To me it's deeply disturbing," he went on, recalling the awe he felt when he saw his first president, Harry Truman. "In times of crisis, times of hardship, a level of trust between the American people and their government, particularly their leader, is an essential element of what's needed in the country. We have passed from anger about what's going on in our political system to cynicism and alienation. And to me, cynicism and alienation are more frightening than anger."

That cynicism, however, appears to be working in Mr. Clinton's favor.

"Most people feel like we haven't got anybody that's any better to replace him," said Rick Auri, 47, a school board president in Dodgeville, Wisconsin. "So people are anxious to have this over. They just want to say: 'All right, he did whatever he did. Now let's move on and get going with life.'"

Also at play, several people said, is the powerful American respect for privacy. Sex lives are nobody else's business; phone conversations between friends should not be taped; zealous prosecutors are frightening; tidbits about celebrities' lives — including presidents' — taste delectable and despicable all at once.

"I do think some of the care blanche authority the independent counsel has runs against the grain a bit in this country," said Sidney Milkis, chairman of the politics department at Brandeis University. "In a country so obsessed with rights and protection and government encroachment and privacy, some of this independent counsel's activities turn people off a little bit."

A married woman in rural Illinois, who declined to be named, put it simply: "I don't want people asking questions about the president's sex life because I don't want anyone asking about mine."

Polls have shown that a strong majority of Americans think the scandal has been covered too heavily — or at least, that is what they say — and many found much of the coverage irresponsible as well.

In view of such skepticism toward the media, and the universally acknowledged dearth of publicly accessible proof of any wrongdoing by the president, many people say they are withholding judgment until they have the solid facts.

For those who do not want to believe ill of the president, then, there is no reason to force themselves.

"People have a really strong sense of fairness, that the case hasn't been made," said George Edwards 3d, director of the Center for Presidential Studies at Texas A&M.

Clearly, some of the response reflects Mr. Clinton's remarkable ability to bounce back from adversity.

"If Bill Clinton was the Titanic, the iceberg would have sunk," said Paul Green, an author of books on Chicago politics.



## OPINION/LETTERS

**Sorry, the Real Scandal Here Is Not About Sex but the Law**

By Richard Cohen

DAVOS, Switzerland — One of the risks of foreign travel for an American nowadays is having to endure lectures from Europeans and others about how,蒙蒂, but J.P. Morgan and the Bank have just announced that they are taking a hit. Alan Greenspan's help by cutting interest rates half now is growth, sweet growth. In the late 1920s, it was a competitive edge of that early industrial era. The protectionist responses to them, we are seeing the start of a new cycle, leading already to a decline in the competitive situation of the U.S., Japan and China do the same now. This Asian deficit can't be dragged into it and we have lower global interest rates and higher growth," argues Ken Court, a senior economist for Deutsche Bank. If they do the wrong thing, then

with Ms. Lewinsky.

How terrific! Here are landslide majorities of Americans distinguishing between private affairs and public ones and, possibly, concluding that not every sexual relationship in the workplace amounts to harassment. Still, we would all have to be terminally naive not to appreciate what any White House intern must — that just saying "yes" might be a good career move.

What's more, the public is giving the media a bit of a thrashing. Normally, I have my problems with anti-media programs, but in this case some of us journalists had it coming. The very Time magazine I cited for its polling essentially quoted street language in its reportage that I thought I would never see in a mainstream American publication.

Time magazine, though, is not alone.

Many a news organization crossed a line of decency or journalistic fair practice. As it is, the public uses the term "media" to castigate us all — the good, the bad and the mediocre. At any rate, some 72 percent of Time's respondents thought the media had gone too far on this story.

I come down somewhere in the middle. I think the polling data mean quite a bit but may be irrelevant to the outcome. For those of us made more and more uncomfortable in recent years about politicians — indeed, public figures of all kinds — being held accountable for their private lives, the polls suggest we have picked up quite a few allies.

A Time magazine poll, for instance, reports that 61 percent of respondents would not want President Clinton to resign simply because he had had an affair

with Monica Lewinsky. Clinton's high standing in the polls is composed of an anti-media backlash, a repugnance at Mr. Clinton's methods and, of course, a general desire not to rock the boat. After all, unemployment is down, the stock market is up and the budget is balanced. All seems right with the world.

In time, though, these factors will come to seem less and less important. When that happens, Americans may be forced to concentrate on the basic matter of honesty — whether Mr. Clinton lied first in his deposition given to Paula Jones's lawyers and, second, to the American people.

That heated assertion of innocence — "I did not have sexual relations with that woman, Miss Lewinsky" — was a moment after which nothing can ever be the same. It had better be the truth.

More important is the matter of the law.

Citizens, especially presidents, cannot take it upon themselves to decide which laws they will honor and which they will break. Whatever the reason for a lie, if it is perjury then it cannot be easily dismissed. For a president, it is a violation of his oath, a serious sin.

This is where, privately and individually, the smirking Europeans said they understood. America is a nation of laws, not men. This is what has long made America different from other nations. The real scandal of the present scandal is how it is still misperceived. It is no longer about sex. It is about law.

*The Washington Post.*

## LETTERS TO THE EDITOR

## Art and the Emperor

Regarding "Bruce Nauman: Neon Worldplay Is Not Enough" (Art, Jan. 17) by Michael Gibson:

Mr. Gibson should be congratulated for having had the courage to point out that the artist Bruce Nauman indeed has no clothes and that today's *museum nomenklatura persists in putting on* shows of contemporary art that are, more often than not, obscure, boring, intimidating and justified only by academic, postmodernist mumbo jumbo.

I have lived in France for 20-odd years and teach in the French Beaux Arts system to boot. I can assure you that even

there if you don't spout the ideological line you are out on your derrière before you can say "Marcel Duchamp."

Have trouble getting to sleep at night? Read a French art magazine.

RAFAEL MAHDAVI.

Paris.

It was pleasing to read the same thoughts that I have been grumpling to my wife and friends for many years.

It is not necessary to be ignorant or reactionary to say that Mr. Nauman's works are pretentious and banal. All that is required is confidence in one's own perceptions.

Why people of taste and culture should allow themselves to be intimidated by

those who have wielded power in the arts for years is a curious question.

The idea that great art is always hard to accept when it first appears has had wide currency. But one need only look at the careers of Picasso, Edward Hopper, Balthus and Lucian Freud, among others, to realize that most artists have been recognized from the moment they began to produce good work.

I am pleased that critics like Mr. Gibson have the courage to rethink the question of what art is and to say aloud that the emperor's rear is out in the breeze (and, I earnestly hope, turning blue).

DAVID WURTZEL.

San Pancrazio, Italy.

## Washington Drama

I am writing to express my concern and dismay regarding the current scandal involving the president of the United States.

However, I would also like to declare my relief that this travesty has not involved figures such as Alan Greenspan, Bill Gates or other really important people, hence ensuring that the country will not be shaken from its present state of well-being and prosperity.

BERNARD ORLAMUNDER.

Paris.

The comedic brilliance of Mr. Clinton's defense is now revealed. If I understand the president's advisers correctly, the line is: He did nothing. And anyway, no one thinks it's so bad. And besides, she loved it!

William Pfaff ("Sex, Nihilism and American Democracy in Danger," Opinion, Jan. 31) and other soups should relax and enjoy the show a bit more. Act I has been most entertaining.

ERIC J. KAUMHEIMER.

Paris.

Personally, I think it's great for Mr. Clinton to make love, not war.

KARMA YESHE GYAMSTO.

Aubry-le-Panthou, France.

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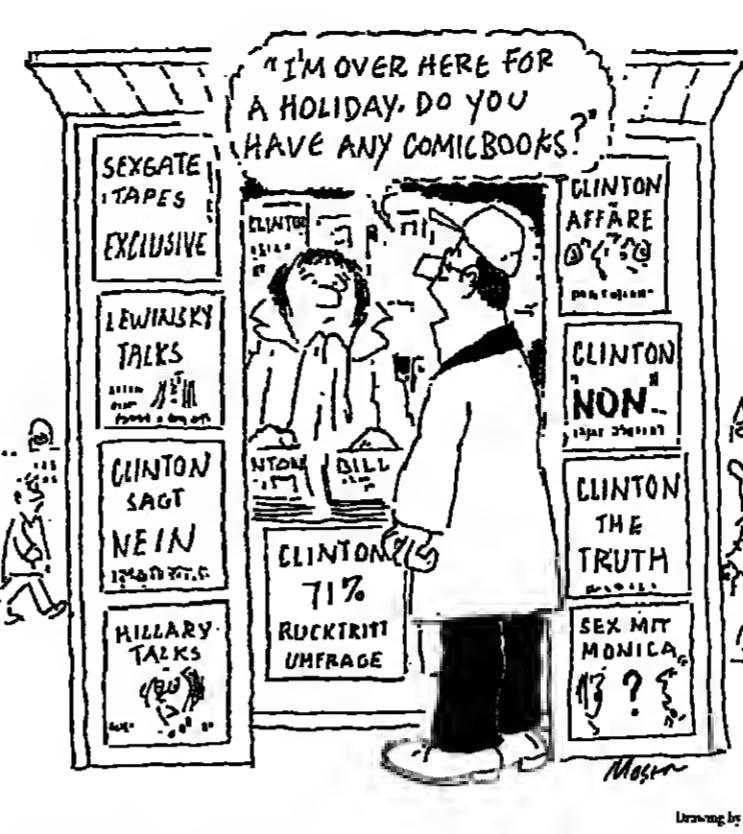
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**No Carts on the Course If Golf Is for Athletes**

By Tom Kite

AUSTIN, Texas — A federal court began hearings Monday to decide whether a golfer afflicted with a circulatory disease should be allowed to use a motorized cart to compete in PGA Tour and Nike Tour events.

The golfer, Casey Martin, a very talented young player, ar-

## MEANWHILE

guess that, under the Americans With Disabilities Act, he should be exempt from the rule that players must walk the course.

From what I understand, Casey Martin is a fine young gentleman. I have not met him personally or played golf with him, and I do not know the finer points of the law. But I do know something about competitive golf, having played the sport for more than 25 years on the Professional Golfers Association of America Tour.

It seems to me that those who support Mr. Martin's right to use a cart are ignoring the fact that we are talking about a competitive sport. We are not talking about allowing someone to use a cart for a casual game of golf on a weekend. We are talking about an athletic event. And anyone who doesn't think professional golf is an athletic sport simply has not been there or done that.

Two weeks ago, Ermitt Smith and Marcus Allen, two of the best football running backs of all time and both excellent athletes, played in my group at the Bob

Hope Chrysler Classic golf tournament. As we neared the end of our fourth consecutive competitive round, Marcus said to me: "Man, I am beat. I've used muscles I don't normally use, and I'm just beat."

Ermitt said he was also tired. And we were playing one of the easiest walking courses on the tour in ideal weather conditions.

Play 36 holes in the heat of the Ryder Cup competition, or walk the 17th hole at Castle Pines Golf Club in Colorado or play 18 holes at the Tournament Players Club at Southwind in Memphis in July — and then tell me that physical conditioning isn't part of competitive golf.

How much of an advantage is there in having a cart? It would vary from one week to another and one course to another, so there is no way to keep a level playing field without changing the fundamental nature of the competition.

I have to work harder every year to stay competitive, but I would not think about asking for a cart. No one could have benefited more from using a cart than Ben Hogan, who won the United States Open in 1950 after recovering from injuries sustained in a car crash, even though every step he took was a painful ordeal. Mr. Hogan is considered perhaps the greatest shotmaker the game has ever seen, but he knew that shot-making is only part of the game.

The mental, physical and emotional aspects of the sport are closely linked. Fatigue can cause loss of concentration, which can cause poor shot selection, which can cause stress, which can cause more loss of concentration.

I have seen a lot of tournaments over the years that were won or lost on the last few holes, when you have to be sharp mentally, physically and emotionally. No matter how much some may be rooting for Casey Martin and how much we sympathize with his disability, we cannot change an integral aspect of our sport for any one person.

The writer has been a professional golfer since 1972 and has won more than 20 events on the PGA Tour, including the 1992 U.S. Open. He contributed this comment to The New York Times.

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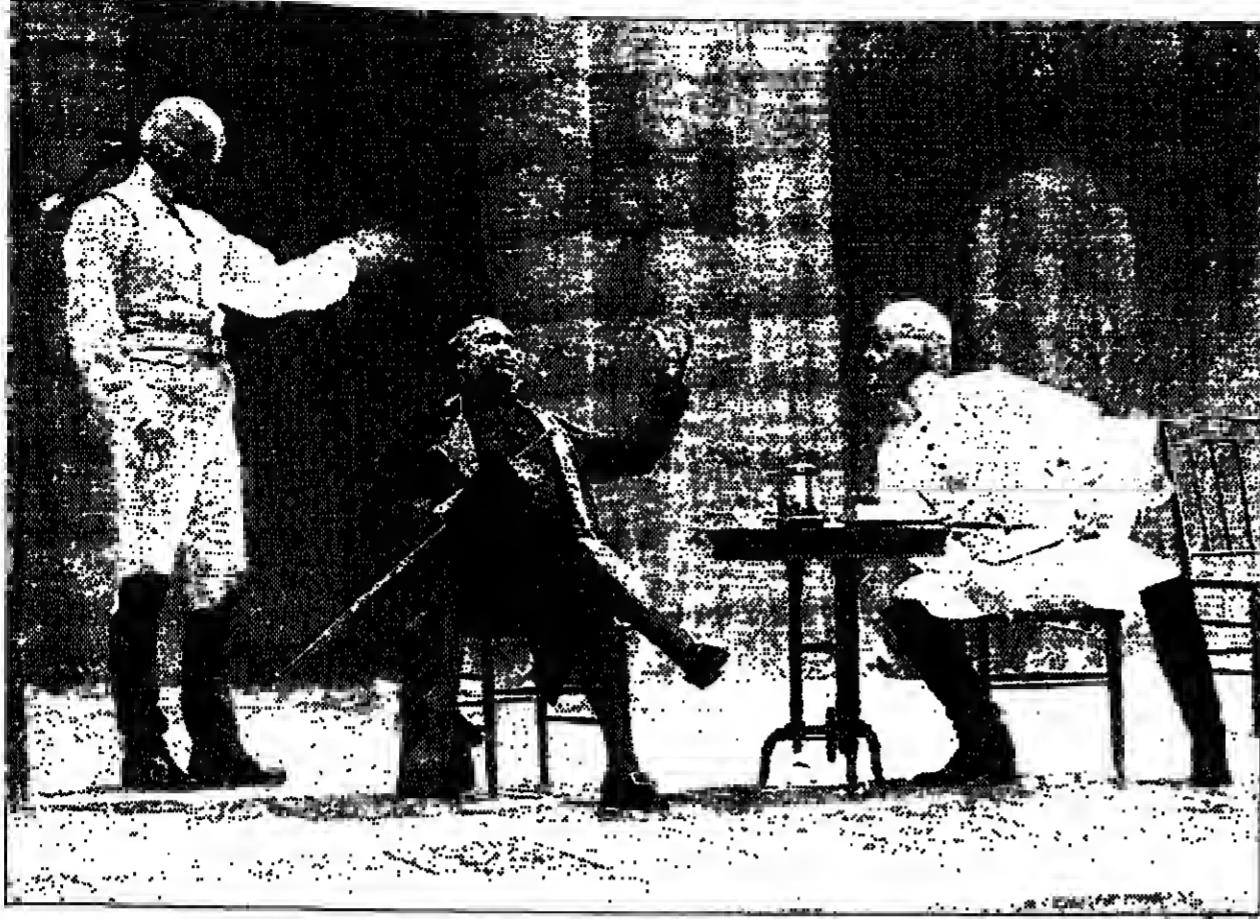
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From left, Mark Milhofer, Alfonso Echeverria and Markus Werba in the opening scene of "Così fan tutte."

## Strehler and the Nuovo Piccolo A Director's Farewell and a Step Into the Future

By David Stevens  
International Herald Tribune

**M**ILAN — Barely a month after Giorgio Strehler's death, Mozart's "Così fan tutte" has opened the Nuovo Piccolo Teatro in a production he conceived but was unable to finish, in the new theater whose completion dragged on so long he hardly had a chance to use it. In one sense it is Strehler's farewell, but this production is also the opening shot of "Project 2000," a program he conceived for carrying the theater's work into the next century and in three houses — the new and old ones, and the studio theater across the street from the new one.

The new theater, designed by Marco Zanuso, is a free-standing structure at the edge of the Foro Buonaparte, in the shadow of the Castello Sforzesco. Outwardly it is an asymmetrical, vaguely tent-shaped, red-brick building. Inside, it holds almost 1,000 seats on two levels in a red-decorated auditorium as wide as it is deep, plus modern technical and administrative spaces.

In a way, this "Così" is a completion

of Strehler's long affair with Mozart's greatest operas — "Figaro" in Paris, "Abduction" and "Magic Flute" in Salzburg, and "Don Giovanni" at La Scala. This "Così" is not on the scale of those. The Piccolo is not an opera house, but "Così" is not a large-scale work. Strehler also opted for an accent on youth, at least for the two pairs of lovers, and assembled two casts after a far-flung series of auditions.

Ezio Frigerio's stage design opens in a Neapolitan outdoor cafe with the facade of the Teatro San Carlo on a painted backdrop. When that disappears, the stage becomes an open, light-bathed space defined by a few accessories that are mostly carried on and off, and with sliding walls and door frames that expand or shrink the playing area.

Franca Squarciapino's costumes for the women are white, light and of exquisitely luxurious fabrics, while the two men's imposture as "Albanians" introduces a touch of Oriental color.

The youthfulness of the voices in the four young roles was all to the good, and for the most part they met the sometimes formidable demands of the roles more adequately. The well-matched and mu-

sician quartet of the performance in question included Ana Rodrigo (Spanish) and Lesley Goodman (American) as Fiordiligi and Dorabella, and Mark Milhofer (English) and Markus Werba (Austrian) as Ferrando and Guglielmo. Janet Perry was an agile, matter-of-fact Despina, and Alfonso Echeverria the grungily cynical Don Alfonso.

The 45-member orchestra (also young) drawn from Milan's Giuseppe Verdi Symphony Orchestra was under the taut and precise direction of Ion Marin, although there were moments when he might have given the singers a little more leeway. The small chorus came from the Civic Music School of Milan, and a number of pupils of Strehler's theater school also took part.

**S**TREHLER conducted rehearsals up to Dec. 23, two days before his death. For the record, this production was presented as "uno spettacolo di Giorgio Strehler," but with the stage direction attributed in the program to two longtime collaborators, Carlo Barastini and Marise Flach.

Performances are daily except Mondays and Thursdays through March 10.

### BOOKS

#### INTO THE HOUSE OF THE ANCESTORS: Inside the New Africa

By Karl Maier. 278 pages.  
\$24.95. John Wiley & Sons.

Reviewed by  
David Burgess

FOR those who know Africa, and especially for those who don't, Karl Maier has written a book of immense charm and insight. He leaves passages about the general problems of that troubled continent with a journalist's observations of the specific: the travails of an often-jailed Nigerian doctor whose crime was to naively urge free elections — and who has somehow kept his optimistic outlook; a Zulu woman medical doctor who found herself made a chief and her efforts to combine traditional ways with the needs of a modern society. And there is, heartbreakingly, the tale of a taxi driver in Lagos, known as "the honest Nigerian," who returned to a passenger a bag of money, representing 18 months

wages, that she had left in his cab. The driver had a subsequent run of bad luck that tested to the limit his faith that he had done right.

In this fine overview of Africa on the brink of the millennium, Maier, who spent most of the decade ending in 1995 in Africa as The Independent of London's correspondent, identifies the complex of problems facing the sub-Saharan part of the continent and, with an Africa-lover's optimism, concludes that all hope has not been entirely lost — mainly because of the extraordinary resilience of the African peoples.

Maier correctly identifies as one of black Africa's strengths the ties of the extended family. In what other place, he asks, could 2 million refugees have been reabsorbed into their native land in the way that that number of Ghanaians disappeared back into their villages after their expulsion by Nigeria in 1983. And Ghana's population at the time? About 12 million.

AIDS may well be the

greatest long-term menace to Africans: In Central Africa, which is the region most affected, the penetration of AIDS is unimaginable by Western standards.

In Zimbabwe, to take a country that is not necessarily the worst hit, up to 40 percent of the sexually active population is HIV-positive, and is doomed. This horrifying percentage includes virtually all of the university-educated class, largely because the cities are the centers of the spread of AIDS. And these seropositive Africans continue to spread the disease.

Maier offers a ray of hope. In Zimbabwe, the need to control AIDS has begotten grass-roots organizations — mainly organized by women — to distribute condoms and, most important, make it acceptable to demand that men use them. As well, traditional healers, who are trusted by most Africans more than doctors trained in Western medicine, are being recruited to the cause of the condom.

This was Hutu policy early on. The Hutu radio station in Kigali, Radio des Milles-Colonies, was no less overt in its targeting of children. It broadcast repeatedly: "To kill big rats, you have to kill little rats."

A quibble: Maier refers to Nelson Mandela as having been imprisoned for 27 years "because he believed that the African majority should enjoy their full democratic rights." Well, not quite. Mandela — one of the great men of our politically sorry century with an almost saintly forgiveness for his erstwhile opponents — was jailed not for what he thought or said, but for what he did — which was to organize a bombing campaign, an act that he acknowledged at his trial in 1964. That he was arrested before any bombs went off surely saved him from the hangman.

**M**AIER'S references to slavery won't please many of the politically correct crowd, as he takes as a given the central role in the trade of the powerful African states — such as Asante and Dahomey — that furnished the slaves to the European buyers by sending armies into their hinterlands to raid vassal tribes for the human harvest. (He oddly refers to the king of Asante as the "Ashantehene," apparently constructing a mongrel word from the correct "Asantehene" and the anglicized name for the kingdom, Ashanti.)

The book is particularly good on the historical back-

ground and consequences of the genocide in Rwanda.

To the extent that the outside world can be blamed for the slaughter of the Tutsi by their Hutu neighbors, he puts the blame where it belongs: "France's role in Rwanda may well go down in history as the darkest of any Western nation in Africa since the slave trade" — the French ran guns to the Hutu and gave them political support well after the start of the genocide.

Maier quotes a leader of a Hutu death squad as saying, "Even Paul Kagame [leader of the Tutsi army that put an end to the genocide], who was causing all this trouble, was a child when he left the country, so all the children must die."

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International Herald Tribune

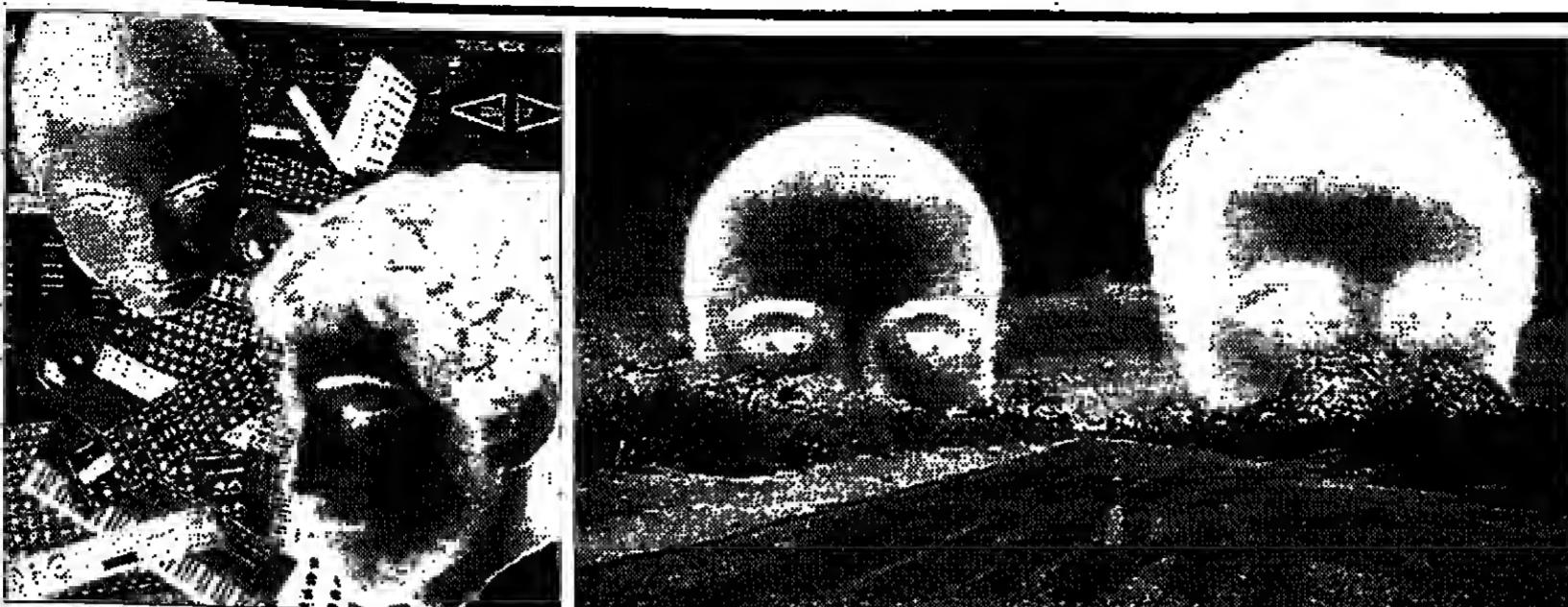
### BEST SELLERS

The New York Times This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.	
<b>FICTION</b>	
Last Weeks 1. <i>PARADISE</i> , by Toni Morrison 2. <i>COLD MOUNTAIN</i> , by Charles Frazier 3. <i>NOTHING</i> , by Don Konner 4. <i>THE WINNER</i> , by David Baldacci 5. <i>A CERTAIN JUSTICE</i> , by P.D. James 6. <i>CAT &amp; MOUSE</i> , by James Patterson 7. <i>MEASURE OF A CESSNA</i> , by John Golden 8. <i>THE GHOST</i> , by Danielle Steel 9. <i>THE GOD OF SMALL THINGS</i> , by Arundhati Roy 10. <i>THEN CAME HEAVEN</i> , by Lawrence L. Buell 11. <i>INVESTIGATORS</i> , by W.E.B. Griffin 12. <i>SHARP EDGES</i> , by Jayne Anne Krentz 13. <i>THE LETTER</i> , by Richard Paul Evans 14. <i>ANOTHER CITY, NOT MY OWN</i> , by Dominick Eze 15. <i>THE MASTERHARPER OF PERN</i> , by Anne McCaffrey 16. <i>NONFICTION</i> 17. <i>MIDNIGHT IN THE GARDEN OF GOOD AND EVIL</i> , by John Berendt 18. <i>ANGELA'S ASHES</i> , by Frank McCourt	
3. <i>TALKING TO HEAVEN</i> , by James Van Praagh 4. <i>TUESDAYS WITH MORRIS</i> , by Mitch Albom 5. <i>INTO THIS AIR</i> , by Jon Kalmanson 6. <i>THE PERFECT STORM</i> , by Sebastian Junger 7. <i>THE MAN WHO LISTENS TO HORSES</i> , by Money Robins 8. <i>CITIZEN SOLDIERS</i> , by Stephen E. Ambrose 9. <i>CONVERSATIONS WITH GOD</i> : Book 1, by Neale Donald Walsch 10. <i>THE MILLIONAIRE NEXT DOOR</i> , by Thomas J. Stanley and William D. Danko 11. <i>THE DARK SIDE OF CAMELOT</i> , by Seymour M. Hersh 12. <i>DIRTY JOKES AND REBEC</i> , by Drew Carey 13. <i>THE CLESTINE VISION</i> , by James Redfearn 14. <i>THE RAPE OF NANKING</i> , by Iris Chang 15. <i>THE TITANIC</i> , by Ed W. Marsh	
16. <i>ADVICE, HOW-TO AND MISCELLANEOUS</i>	
1. <i>SIMPLE ABUNDANCE</i> , by Sarah Ban Breathnach 2. <i>DON'T WORRY, MAKE MONEY</i> , by Richard Branson 3. <i>JOY OF COOKING</i> , by Irma Rombauer, Marion Rombauer Becker and Ethan Becker 4. <i>MAKE THE CONNECTION</i> , by Bob Gruen and Ophélie Wesley	
17. <i>THE CLOUDS OF UNPREDICTABILITY</i> , by Alvin Toffler 18. <i>THE CLOUDS OF UNPREDICTABILITY</i> , by Alvin Toffler 19. <i>THE CLOUDS OF UNPREDICTABILITY</i> , by Alvin Toffler	
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**NYSE**

**Continued on Page 16**

WEDNESDAY, FEBRUARY 4, 1998



Publicity photos of the group Daft Punk, which sold more than twice as many disks outside France last year as it did on its home turf.

## Local Bands Leapfrog Global Stars on the Charts

By Richard Covington  
Special to the Herald Tribune

CANNES — Daft Punk may not have the pedigree of a bottle of Chateau d'Yquem or the cachet of Dior gowns, but these stars of French techno music have climbed the record charts to become France's top-earning musical export last year.

In 1997, when French music sales rose 7 percent to 7.36 billion francs (\$1.2 billion), Daft Punk sold 900,000 albums outside France, earning 77 million francs — out of 1.3 million in total sales, according to SNEP, the

country's society of record producers. In France, Germany, Spain, the Netherlands and elsewhere, local acts are grabbing a larger share of sales than ever before and pushing international — read English-speaking —

### MEDIA MARKETS

stars further down the charts, according to various recording associations. American and British artists who have dominated global sales for decades are seeing the steady erosion of their audiences, according to the International Federation for the Phonographic Industry.

Revenue from Spanish-language music has quadrupled in the past five years, for instance, and such European stars as the Italian tenor Andrea Bocelli are making inroads into record charts locally and around the world. The steady growth in homegrown music is all the more impressive against a backdrop of stagnant revenue for the \$30 billion global music business.

"This surge in national repertoire is greatly increasing the pressure on international artists," said William Roedy, president of MTV's international operations.

With an explosion in musical styles, from urban rap to North African rai,

techno and world music, the creation of niche listeners devoted to single genres is lessening the appeal of superstars. As the British minister of culture, Chris Smith, said recently at Midem, an international music festival and market held in this Riviera resort city, Europe alone sustains a mind-boggling 350 musical genres.

The worldwide superstar has to cross over all genres, and this is becoming harder and harder," said Abmet Ertugrul, the founder of Atlantic Records and a music industry force who nurtured the global profile of per-

See LOCALS, Page 17

## Crux of Asia Crisis: How Strong Are Japan's Banks?

By Sheryl WuDunn  
New York Times Service

TOKYO — From the stratospheric heights of their boardrooms in glass and steel headquarters far above the narrow streets of Tokyo, Japan's top bankers once gazed with pride on the vast commercial empires they helped build. Now, when they look out, they see mountains of bad debt.

Japanese banks are the biggest on Earth, but they are swaying frighteningly in the Asian financial typhoon. The possibility that a giant Japanese bank might one day come crashing down, sending shock waves around

the globe, is a recurring nightmare not just for Japanese bankers but for treasury officials and bank executives around the world.

Is that going to happen? Probably not, bankers and analysts say. But they do not say so with as much confidence as they would like to be able to.

When the United States and the International Monetary Fund rushed to bail out South Korea last month, their ultimate concern was less for South Korea than for the potential impact on Japanese and Western banks if their actions failed.

Some Japanese banks are already wobbly because of a crushing burden of bad debts; indeed, the sum of

bad debts held by Japan's banks is greater than the value of the entire economy of China, not to mention South Korea.

"It's very unstable," Alicia Ogawa, a managing director and banking analyst at Salomon Brothers Asia Ltd. in Tokyo, said of the financial system in Japan. "Everyone knows there's a huge shoe that's got to drop. Nobody knows when, who's going to pay and who it's going to land on, so of course everyone's sort of swaying and trembling in the corner."

For all the worries about Indonesia or South Korea,

See BANKS, Page 17

## Malaysia Joins the Party Of Rising Stock Markets

But Analysts Predict a Short-Lived Rally

By Thomas Fuller  
International Herald Tribune

KUALA LUMPUR — Malaysia's stock exchange — the world's fourth-worst performing market last year — joined the regional rally by leaping 23 percent Tuesday, as most other markets held onto their strong gains from Monday.

Currencies in the region also strengthened, with the dollar falling 1.6 percent against the Malaysian ringgit and 3.8 percent against the Thai baht.

Many analysts said that while this week's record stock market gains signaled greater confidence in Asia six months after the onset of its financial crisis, the rally probably would not be sustained as the extent of damage to the region's companies becomes clear.

Analysts also expected continued sharp swings in the market as long as the number of daily transactions remains low — the case through much of the crisis as foreign investors stayed away.

Markets across Asia East stabilized Tuesday following double-digit percent gains the previous day in Bangkok, Hong Kong, Jakarta, Manila and Singapore. Kuala Lumpur missed the buying spree Monday because it was closed. Still, Malaysia's rally took market watchers by surprise.

"I thought there was something wrong with my PC," said an official at the stock exchange, relieved after months of watching an across-the-board sell-off of Malaysian shares that had brought the market to record lows.

Market players were not the only ones cheering the Malaysian economy. The World Bank president, James Wolfensohn, said during a visit to Kuala Lumpur on Tuesday that the country had "exhibited admirable economic growth and broadly very good economic management."

He said Malaysia could not be lumped together with other economies in the region such as Indonesia, South Korea and Thailand that have been forced to seek assistance from the International Monetary Fund. "Malaysia will emerge as one of the stronger countries," he said.

Although Malaysia's stock market and currency have suffered sharp declines in recent months, the country's

banking system and corporate sector have not been as seriously affected as those of Thailand and Indonesia. Analysts attribute this to close supervision by Malaysia's central bank and Finance Ministry.

The stock rally came days after the downgrading of several Malaysian banks as well as an announcement by the country's largest bank, Malayan Banking Bhd., that its profit had slumped 29 percent in the six months to December.

Investors were undeterred. Maybank shares were up nearly 30 percent Tuesday, closing at 11.90 ringgit.

Overall, investors were not choosy in the stocks they bought, with a total of 825 stocks gaining ground and just 19 losing value.

Chong Sui San, a manager at Pacific Mutual Fund told Bloomberg News the rally was a sign that the market had already reached its bottom. "The trend has changed for the better," she said. "It's a good feeling."

But many analysts said the bad news for Malaysia was yet to come. "The markets are suggesting that we have seen the worst," said Patrick Tan, who helps manage a \$1.2 billion portfolio at Rothschild Asset Management (Singapore) Pte. "I think it's too early to call. It's a gross overreaction. We are taking the opportunity to throw out some stuff and sit back and wait."

Lat Tak Heong, director of research at SocGen-Crosby Research Malaysia Sdn, attributed the rally to investors whose portfolios had been underweighted for Malaysia. "A lot of people are not convinced that it's sustainable," he said.

### ■ 16 Accused of Industrial Theft

South Korean prosecutors were reported to have arrested 16 engineers on charges of stealing sophisticated semiconductor manufacturing technology, Bloomberg News said from Seoul.

The engineers were accused of taking technology from Samsung Electronics Co. and LG Semicon Co. for Nan Ya Technology Corp., a Taiwanese microchip maker, the Naeway Newspaper said. The 16 included Kim Hyung Ik, an executive of Korea Semiconductor Technology Co., and 15 former and current workers for Samsung and LG.

### CURRENCY & INTEREST RATES

Feb. 3 Libid-Libor Rates

Cross Rates	3	1	6M	1Y	2Y	5Y	10Y	15Y	20Y	30Y	Perpet
Australia	2.045	1.947	1.973	2.036	2.147	2.485	3.007	3.427	3.847	4.267	4.687
Canada	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
France	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Germany	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Japan	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
UK	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Switzerland	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Sweden	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Austria	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Denmark	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Netherlands	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Portugal	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Spain	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Belgium	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Italy	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Poland	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Hungary	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Croatia	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Chile	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Argentina	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Uruguay	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Colombia	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Peru	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Costa Rica	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
El Salvador	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Chile	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Uruguay	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Argentina	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Bolivia	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Paraguay	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Bolivia	2.051	2.071	2.103	2.146	2.267	2.605	3.125	3.545	3.965	4.385	4.805
Uruguay	2.051	2.07									



# Provides into Stocks

"We've gotten through a number of corporate buyouts, and by and large, they're pretty reasonable," said a spokesman of Capital Management Group in Philadelphia.

Whirlpool rose 1.61 percent, to 61.61, after the appliance maker said on Tuesday that its three-months ended Dec. 31, the like period of 1997, sales rose 5.92 million, up from 5.43 million, to \$2.51 billion.

Marlboro rose 0.11, to 135.51 million, on higher earnings from its Barbie dolls and Vicks.

**Newbridge Share Skid as Firm Issues A Profit Warning**

OTTAWA — Newbridge Networks Corp. said Tuesday that its third-quarter earnings and sales were down 10 percent, mostly because of a decline in sales of phone equipment account for 2 million Canadian dollars in late December.

The profit warning comes as Newbridge's first-quarter earnings, such as Cisco Systems Inc. and Tellabs Inc., were also falling away from the market, leaving powerful Newbridge as the last major provider of optical equipment.

"They are in a very difficult position," said a spokesman for Newbridge. "There are no other major players left in the market."

As a result, Newbridge's stock price has fallen 10 percent since the start of the year.

On Tuesday, Newbridge's stock price fell 1.11, to 10.75, on 1.1 million shares traded.

**Airbus Industrie Lands \$2.6 Billion Order From Iberia**

Compiled by Our Staff From Dispatches

**LONDON** — PacifiCorp increased its offer for Energy Group PLC on Tuesday, agreeing to pay £5.3 billion (\$8.69 billion) in cash and assumed debt to ward off potential bids from two other suitors.

The company, which is based in Portland, Oregon, offered 765 pence a share, 10.9 percent more than the 690 pence it bid in June. That bid lapsed when the government ordered a full monopoly investigation.

Trade Secretary Margaret Beckett of Britain ruled in December that PacifiCorp could bid again for Energy Group, whose assets include the top U.S. coal producer, Peabody

Holding Co., as well as Britain's largest electric utility, Eastern Group, which has 3.1 million customers northeast of London.

Energy Group is also coveted by two other potential bidders: the Japanese investment bank Nomura Corp. and Texas Utilities Co., another U.S. holding company. Both said they were considering whether to try to outbid PacifiCorp.

Energy Group's share price rose 12 pence to close at 776, indicating that investors expect a higher bid to emerge.

"The market is clearly expecting another bid," said Fraser McLaren, analyst at Greig Middleton & Co.

If the PacifiCorp bid is successful, Energy Group will become the eighth British power company sold to U.S. companies since 1995. The U.S. utilities have been drawn by potentially higher returns and the prospect of learning about a less regulated market as the U.S. market begins to deregulate.

"It looks like a full price, but we will have to wait for the other two bidders to declare their hand," said Mr. McLaren.

PacifiCorp, which said its offer had been approved by both companies involved, appears unlikely to run into further regulatory hurdles. PacifiCorp's chief executive, Fred

Buckman, said, "We have had a handshake with Federal Trade Commission staff," apparently indicating that its earlier offer will be approved in the next few days.

He said the combination of the two companies would enhance earnings in the first year.

A takeover of Energy Group would create a company with 5 million energy customers on three continents, 17,000 megawatts of generation capacity and 10 billion tons of proven and provable coal reserves, PacifiCorp said.

PacifiCorp, which is being advised by Goldman, Sachs & Co., said it would ask Derek Bonham,

chairman of Energy Group, and John Devaney, its chief executive, to join its board. Energy Group's advisers are Morgan Stanley, Dean Witter, Discover & Co. and Lazard Brothers & Co.

PacifiCorp plans to pay £1.2 billion in cash and to raise the remainder of the price through debt agreements with Goldman, Sachs, J.P. Morgan & Co. and Citicorp.

Between half and two-thirds of that debt will be converted into bonds later, Mr. Buckman said, adding that the company planned to raise capital, "perhaps in 1998," to enhance its credit quality.

(Bloomberg, Reuters, AP)

the appliance maker said on Tuesday that its three-months ended Dec. 31, the like period of 1997, sales rose 5.92 million, up from 5.43 million, to \$2.51 billion.

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## Airbus Industrie

### Lands \$2.6 Billion Order From Iberia

By John Tagliabue

New York Times Service

**ROME** — Airbus Industrie won a major contract Tuesday, as Iberia Air Lines of Spain announced it had ordered 50 of the European consortium's single-aisle planes, valued at \$2.6 billion, with options to acquire 26 more.

If Iberia follows through on the options, the entire package will have a value of about \$4.4 billion and will be the largest sale by Airbus to any European airline, and the third-largest in the 28-year history of the group.

The orders give a strong boost to Airbus, which has chipped away at the market share of its main rival, Boeing Co., since introducing the A320 family of short- and medium-range planes about a decade ago.

As a consolation for Boeing, Iberia said it was going ahead with an order originally placed in 1990 for eight medium-range Boeing 757 planes with a total value of about \$400 million.

The Airbus purchases are part of Iberia's effort to renew its fleet after winning approval of \$845 million in government aid to restructure the airline.

Iberia last week reported a 1997 pretax profit of 18.44 billion pesetas (\$120 million), more than six times the amount it earned the year before. The 1996 profit was its first after six consecutive years of losses.

The Airbus consortium groups Aerospace de France and Daimler-Benz Aerospace of Germany, each with 37.9 percent, British Aerospace with 20 percent and CASA of Spain with 4.2 percent.

## WORLD STOCK MARKETS

**Tuesday, Feb. 3**

Prices in local currencies.

**Tektronix**

High, Low, Close, Prev.

Deutsche Bank

High, Low, Close, Prev.

Amsterdam

High, Low, Close, Prev.

ASML-AMV

High, Low, Close, Prev.

Atcom

High, Low, Close, Prev.

Abolix

High, Low, Close, Prev.

Alcatel

High, Low, Close,

**NASDAQ**

**Tuesday's 4 P.M.**  
The 1,000 most traded National Market securities  
in terms of dollar value, updated twice a year.  
The Associated Press.

NYSE

**Tuesday's 4 P.M. Close**  
**(Continued)**

## ANKS: Impact of Crisis

## LOCALS: International Edition

## Mitsubishi Warns of Big Loss Over Chips

Compiled by Our Staff from Dispatches

TOKYO — Mitsubishi Electric Corp. said Tuesday that it would post a loss for the year through March seven times larger than it forecast just two months ago.

The company blamed falling prices for computer-memory chips and slumping sales of such consumer electronics as portable phones and air conditioners.

Mitsubishi Electric expects to post a group net loss of 70 billion yen (\$552.9 million), against a profit of 25.8 billion yen the previous year.

It is the biggest drop for any of Japan's five largest makers of computer microchips. South Korean makers have flooded the market for the chips in the last two years.

"Losses in our semiconductor business are the single biggest reason for the profit revision," said Michiyasu Hirahara, a managing director in Mitsubishi Electric's corporate accounting department, but he said there were losses also in the consumer electronics, personal computer and telecommunications equipment businesses.

Heading toward the first group loss in its history, Mitsubishi Electric said group sales would be 3.8 trillion yen, as opposed to the 4 trillion yen it forecast in November.

Mr. Hirahara said the company was expected to either cut the final dividend or not pay one at all.

"We are not sure if the year to March 1999 will return to the black," he added.

"We are considering cutting microchip output," Mr. Hirahara said without elaborating, adding, "We have a higher exposure to the microchip memory business compared with other companies." (Bloomberg, AFX)



Hubert Neiss found a bit of "healthy euphoria" in Seoul.

Compiled by Our Staff from Dispatches

TOKYO — Prosecutors raided the Sapporo headquarters of Hokkaido Takushoku Bank Ltd. on Tuesday in search of evidence of bribes allegedly offered to Finance Ministry officials, a spokesman for the failed bank said.

Two Finance Ministry officials were arrested last week on suspicion of having accepted lavish entertainment and favors from Hokkaido Takushoku and three other banks, Dai-Ichi Kangyo Bank Ltd., Sanwa Bank Ltd. and Asahi Bank Ltd., in exchange for inside information on bank inspections by the ministry.

## IMF Gets Beyond 'Fire-Fighting'

Fund Official, in Seoul, Says Interest Rates Can't Be Slashed

### Q&A : Hubert Neiss

*Hubert Neiss, director of the Asia and Pacific department of the International Monetary Fund, is spending this week in Seoul on the first quarterly review of the plan under which the IMF pieced together a \$60 billion bailout package for South Korea. He talked Tuesday about the issues in Korea with Don Kirk of the International Herald Tribune in Seoul.*

*Q. What's your basic purpose here?*

*A. For me, it's the first occasion where we can take a step back and look at the whole program and its strategy and objectives. We are no longer in this hectic period. It's not just fire-fighting. It's laying down strategy for the next couple of months.*

*Q. The economy appears somewhat more confident in view of the success of Korean negotiators in getting international creditor banks to roll over \$24 billion in short-term debt. Now the finance minister, Lin Chang Yuel, says interest rates should go down from the current high level. What is your view?*

*A. There is a bit of euphoria here, which is quite healthy. That is one of the reasons for this craving for slashing the interest rates.*

*I think their argument is basically right, but you have to strike a balance between restoring stability on the foreign-exchange market and maintaining output. The first pri-*

*ority is to stabilize the exchange market.*

*Q. How do you now feel about the negotiations?*

*A. There are no major areas of controversy. Today we found a solution. The direction of interest rates coming down is already there, but it's not yet time for a major dropping of interest rates. That we have to be sure of, and that's agreed.*

*Q. What's the danger in bringing interest rates down further?*

*A. Premature cuts in interest rates will only risk a return to exchange-rate instability, which would also hurt banks and enterprises. A balance has to be struck very carefully between the damage to enterprises of continued high interest rates and the damage of renewed exchange-rate instability.*

*Nobody likes high interest rates, but in a time of crisis we cannot do without them.*

*Q. The finance minister, before you arrived Sunday, called for reduced interest rates in interviews with the Korean media. Did his remarks surprise or embarrass you?*

*A. That's just part of the game. I'm not embarrassed. The same seems to be happening in Thailand. I go to Thailand from here this weekend.*

*Our team is starting there. On the arrival of the team, the papers were full of demands for softening, changing IMF conditions.*

*Q. There is a popular perception in some quarters here that the IMF is to blame for holding South Korea's economy in check in exchange for the bailout program. How do you respond to that criticism?*

*A. Let's keep in mind that we have high interest rates not because of the IMF but because of a foreign-exchange crisis that must be overcome as quickly as possible so that the economy can start recovering.*

*Q. How can Korea force interest rates to stay up if financial institutions want to lower them and companies have to borrow to stay afloat?*

*A. The short-term rate is influ-*

*enced by monetary policy. The Bank of Korea can influence the market. The central bank can buy and sell securities. Here they are called monetary stabilization bonds. Therefore it's a market participant. It sells and buys in the open market, thereby influencing market conditions.*

*Q. You also are insisting on restructuring. How can you persuade the largest *chaebol*, or conglomerates, to sell off major companies that they want to keep no matter how much they talk about restructuring themselves?*

*A. It doesn't necessarily mean they have to get rid of everything, but some rationalization and downsizing is desirable, as we have seen in the United States and Europe.*

*In the end, they have to meet the needs of the marketplace to survive.*

*Q. What about the labor problem?*

*A. Negotiations with unions are not yet through. Eventually they must find a reasonable solution. I don't think it's in the interest of the unions to break with the government. The solution will be that the unions accept some measures of labor-market flexibility and that the government accepts greater responsibility for providing for the unemployed and for putting them back to work as soon as possible through job retraining.*

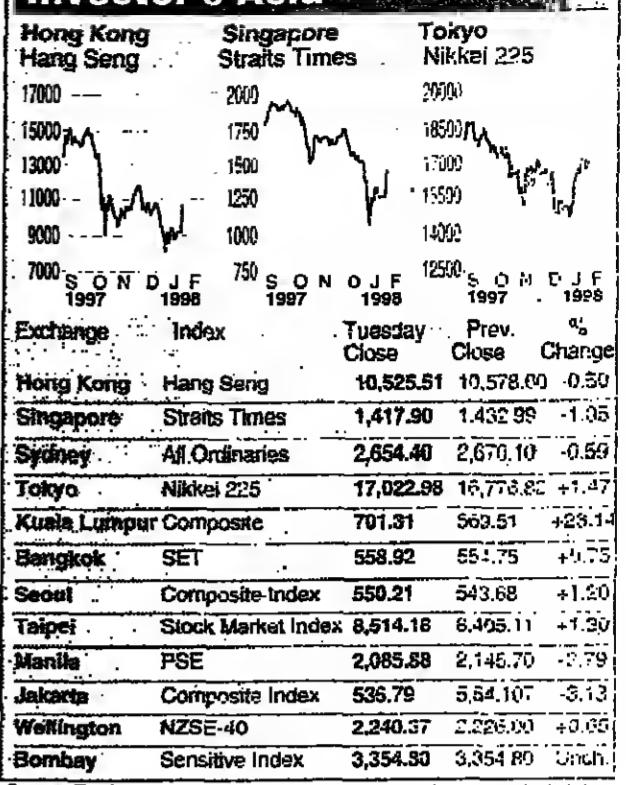
*Q. Where's the money coming from?*

*A. The money comes by cutting other nonpriority expenditures and by allowing for a modest deficit. The IMF is very flexible when it comes to fiscal policy at a time of declining growth.*

*Q. You have been visiting Korea since the 1980s. How do you find the Koreans in negotiations?*

*A. The Koreans are very strong and determined. They are also quite firm. If they say something, they stick to it. When I have an agreement with the Koreans, I have no suspicions.*

### Investor's Asia



Investor's Asia is a service of Telekurs.

### Very briefly:

• Japan Sky Broadcasting Corp. and Perfect TV Corp., two of Japan's three digital satellite-television broadcasters, agreed to exchange one JSkyB share for one Perfect TV share in a merger they said would take place in early April.

• Japan's business climate claimed a new victim as the travel agency Jetour Corp. collapsed after failing to raise enough money. Jetour, which offers cut-price overseas package tours, said in a recorded message on its telephone answering machine that had stopped doing business.

• Japan's small and medium-sized companies were at their most pessimistic ever in January, as banks cut lending and sales continued to plummet, an industry survey showed. The survey by Shoko Chukin Bank said its key index fell to a record low of 39.1 in January from 40.4 in December.

• Cathay Pacific Airways Ltd. may fire as many as 1,000 employees, or 7 percent of its work force, a director said. The airline fired 760 people last month, its deepest cuts in its 31-year history.

• Thailand will begin auctioning some of the estimated \$80 billion baht (\$15.1 billion) in assets of 50 closed finance companies before the end of February, officials said.

• United Technologies Corp., maker of Otis elevators, acquired a 9.62 percent stake in Dong Yang Elevator Co. of South Korea.

• South Korean banking institutions' campaign to collect gold from private citizens gathered more than 161 tons of the precious metal valued at more than \$1.5 billion by Saturday, bank officials said.

• Australian building approvals, which usually precede building starts by about three months, unexpectedly rose in December to their highest level in nearly three years, providing further evidence the economy is growing strongly.

• STAR TV, a subsidiary of News Corp., launched India's first 24-hour election news channel.

• Cambodia is expected to raise import taxes on some products to protect local industries and jobs from a flood of imports, Finance Minister Keat Chhon said.

Reuter's Economic

## Procter & Gamble Says 'Limit' May Be Near for Embattled Vietnam Unit

Reuters

HANOI — Procter & Gamble Co. executives said Tuesday they were hoping for a last-minute resolution that would save its Vietnam unit from bankruptcy before a crucial board meeting Saturday.

But there was no sign from the company, its bankers, U.S. executives or the company's local partner that a positive outcome to Vietnam's latest major foreign-investor debacle was in sight.

"There is a limit to how long you can go on," Alan Hed, the company's top executive in Vietnam, said. "All I can say is that it's an important meeting."

Procter & Gamble Vietnam's problems surfaced in October, when the country's

state-controlled press revealed the venture's first two and a half years of operations.

The reports also questioned the reasons for a Procter & Gamble proposal that the partners inject further capital or allow the venture to become 100 percent foreign-owned.

The problems deepened last month when the State Bank of Vietnam, the country's central bank, citing concerns over the ability of the venture to pay its debts, advised commercial banks to stop lending to it.

That move left P&G Vietnam without funds to pay its 400 staff or buy manufacturing supplies.

Company sources said Tuesday that a preliminary

agenda for the Saturday meeting, to be held in Singapore, included discussion of the status of the company's buyout proposal, the status of bank lines of credit and arrangements for bankruptcy and liquidation.

Also on the agenda is the question of how to address media interest in the case, which follows a two-year collapse of investor sentiment in Vietnam, domestic press allegations that P&G is bullying its Vietnamese partner and investor questions about Hanoi's impartiality in handling joint-venture disputes.

"This is not positive," said an American executive in Hanoi, who asked not to be identified. "The death of an enterprise is not a pretty

thing, especially when you've got a company with no shortage of capital or willingness to invest."

But the case also has wider ramifications.

A letter sent from Peter Peterson, the U.S. ambassador to Vietnam, to Prime Minister Phan Van Khai in late January warned that a negative outcome could affect U.S. economic relations with Vietnam.

"The failure of a company such as Procter & Gamble, with a reputation in Asia, would further accentuate the economic turmoil in Asia and would damage the reputation of both Procter & Gamble and the Socialist Republic of Vietnam," the letter said.

Mr. Peterson added in the

letter that work on improving economic relations, including efforts to remove impediments to a trade agreement, were a top priority for the U.S. Embassy. But he said he was "concerned about the implications the bankruptcy of P&G Vietnam would have on this priority."

### RHÔNE-POULENC INFORMS ITS SHAREHOLDERS

#### Rhône-Poulenc: 1997 results

*The objective for 20% growth in 1997 net earnings per share excluding non-recurring charges, has been met with a rise of 20.62%.*

*1997 was a very important year for Rhône-Poulenc: we consolidated our activities in the Life Sciences and paved the way for the creation of Rhôde with its business portfolio sharply focused on specialty chemicals. These operations led to a non-recurring charge of FF9.7 billion corred in 1997 accounts, which is reflected in a net loss for the year.*

*Enhancing the value of the Group remains our priority. We aim to achieve a return on equity of 13% by the year 2000.*

*To achieve this, the Group is counting on new products in the Life Sciences and on Rhôde's future development. We also intend to improve the earnings potential of our businesses. That is why new operations will be launched in 1998, which will result in additional non-recurring charges in the region of FF2 billion.*

*For 1998, we are maintaining our target of 20% growth in net earnings per share, excluding non-recurring charges.*

*Jean-René Fourtou  
Chairman and Chief Executive Officer*

#### Consolidated results

**Net sales:**  
FF89,995 billion (+11.4%)  
**Net loss:** FF4,991 billion  
**Net income excluding non-recurring charges:** FF3,417 billion (+24.7%)

#### Life Sciences

**Consolidated net sales:**  
FF52.6 billion (+11.7%)  
**Earnings from operations:**  
FF8.4 billion (+0.95%)

#### Pharmaceuticals

**Consolidated net sales:**  
FF33.3 billion (+10.8%)  
**Earnings from operations:**  
FF5.3 billion (-7.9%)

*The downturn in earnings for pharmaceuticals is primarily due to the Centeon situation and to the decline in sales of asthma products in the United States, as well as weaker demand on the French pharmaceuticals market.*

**Rhône-Poulenc, a worldwide leader in life sciences, and its**

**specialty chemicals subsidiary, Rhôde,**

**contribute**

**through innovation to enhancing**

**human well-being from health**

**and food to the**

**quality and safety of products used in**

**every day life.**

**In contrast, strong growth is recorded in new product sales, particularly in the United States: Clexane "Lovenox", the world's leading product for the prevention of deep vein thrombosis; Taxotere, the anti-cancer agent available in 55 countries; Rilutek<sup>®</sup>, the only available treatment for amyotrophic lateral sclerosis or motor neuron disease; Nasacort<sup>®</sup> for allergies.**

**Strong sales growth in vaccines helped consolidate Pasteur Mérieux Connaught's worldwide positions, particularly in the United States: Ipol<sup>®</sup>, an injectable polio vaccine; and Tripedia<sup>®</sup</sup>**

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Information on how to list your fund, fax Katy Houri at (33-1) 41 43 92 12 or E-mail : funds@micropal.fr

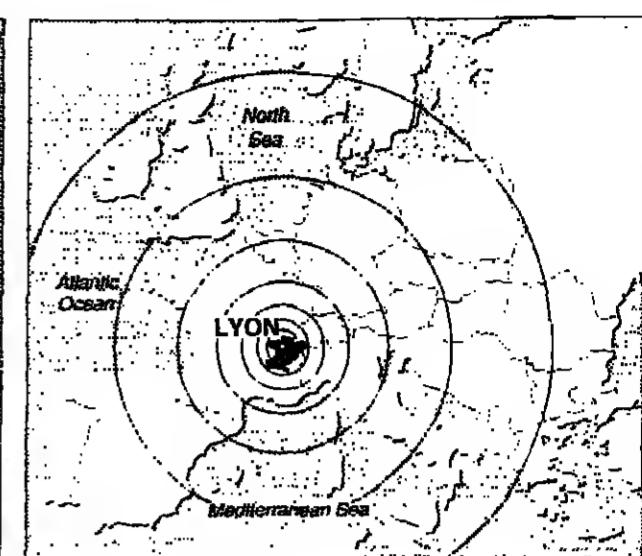
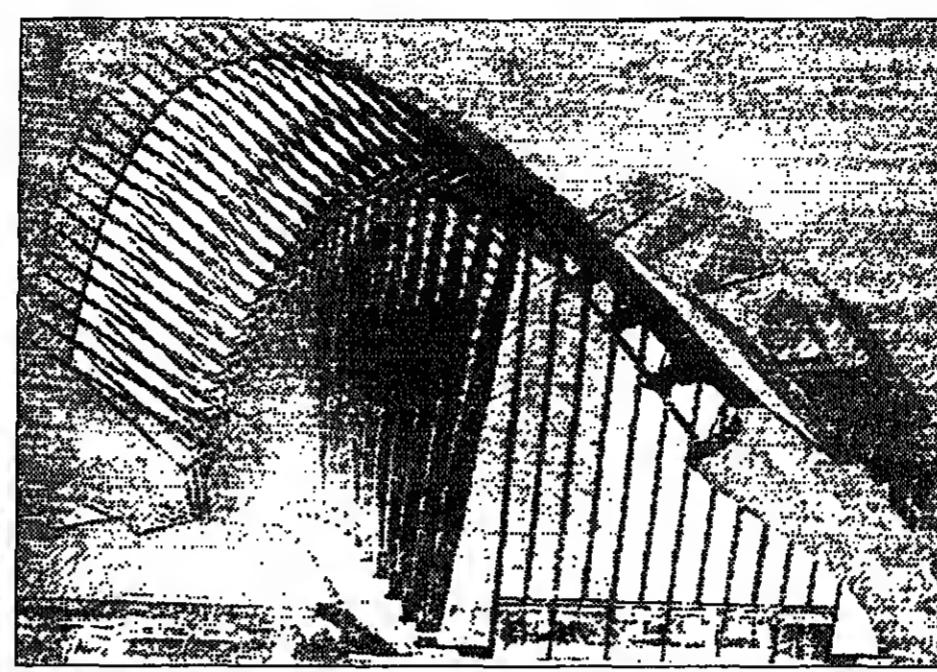
February 3, 1998

100% US\$	100.49	100.49
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100% DEM	100.36	100.36
100% USD	112.09	112.09
100% SGD	111.79	111.79
100% AED	110.05	110.05
<b>LIMITED</b>		
100% DEM	118.41	118.41
100% CHF	105.73	105.73
100% SGD	104.97	104.97
100% AED	104.74	104.74
100% USD	24.67	24.67
100% SGD	24.39	24.39
100% AED	24.32	24.32
100% DEM	24.29	24.29
100% CHF	24.24	24.24
100% SGD	24.22	24.22
100% AED	24.17	24.17
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100% SGD	23.89	23.89
100% AED	23.84	23.84
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100% SGD	17.73	17.73
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100% SGD	17.47	17.47
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100% DEM	9.98	9.98
100% SGD	9.93	9.93
100% AED	9.88	9.88
100% CHF	9.83	9.83
100% USD	9.77	9.77
100% DEM	9.72	9.72
100% SGD	9.67	9.67
100% AED	9.62	9.62
100% CHF	9.57	9.57
100% USD	9.51	9.51
100% DEM	9.46	9.46
100% SGD	9.41	9.41
100% AED	9.36	9.36
100% CHF	9.31	9.31
100% USD	9.25	9.25
100% DEM	9.20	9.20
100% SGD	9.15	9.15
100% AED	9.10	9.10
100% CHF	9.05	9.05
100% USD	9.00	9.00
100% DEM	8.95	8.95
100% SGD	8.90	8.90
100% AED	8.85	8.85
100% CHF	8.80	8.80
100% USD	8.75	8.75
100% DEM	8.70	8.70
100% SGD	8.65	8.65
100% AED	8.60	8.60
100% CHF	8.55	8.55
100% USD	8.50	8.50
100% DEM	8.45	8.45
100% SGD	8.40	8.40
100% AED	8.35	8.35
100% CHF	8.30	8.30
100% USD	8.25	8.25
100% DEM	8.20	8.20
100% SGD	8.15	8.15
100% AED	8.10	8.10
100% CHF	8.05	8.05
100% USD	8.00	8.00
100% DEM	7.95	7.95
100% SGD	7.90	7.90
100% AED	7.85	7.85
100% CHF	7.80	7.80
100% USD	7.75	7.75
100% DEM	7.70	7.70
100% SGD	7.65	7.65
100% AED	7.60	7.60
100% CHF	7.55	7.55
100% USD	7.50	7.50
100% DEM	7.45	7.45
100% SGD	7.40	7.40
100% AED	7.35	7.35
100% CHF	7.30	7.30
100% USD	7.25	7.25
100% DEM	7.20	7.20
100% SGD	7.15	7.15
100% AED	7.10	7.10
100% CHF	7.05	7.05
100% USD	7.00	7.00
100% DEM	6.95	6.95
100% SGD	6.90	6.90
100% AED	6.85	6.85
100% CHF	6.80	6.80
100% USD	6.75	6.75
100% DEM	6.70	6.70
100% SGD	6.65	6.65
100% AED	6.60	6.60
100% CHF	6.55	6.55
100% USD	6.50	6.50
100% DEM	6.45	6.45
100% SGD	6.40	6.40
100% AED	6.35</td	

The data in the list above is the n.a.v. supplied by the fund groups to Micropal SA. It is collated and reformatted into the list before being transmitted to the IHT. Micropal and the IHT do not warrant the quality or accuracy of the list, the data of the performance of funds of the Fund Groups and will not be liable for the list, funds of Fund Group to any extent. The list is not and shall not be deemed to be an offer by the IHT or Micropal to sell securities or investments of any kind. Investments can fall as well as rise. Past performance does not guarantee future success. It is advisable to seek advice from a qualified independent advisor before investing.

# INVESTING IN EUROPEAN REAL ESTATE: LYON

There is more to France than Paris, as many international corporations and organizations are discovering. The country's other great cities offer many of the same advantages and fewer of the inconveniences. Lyon is home to major industrial powers and multinational corporations, which have set up shop in the city because of its strategic location, transport links and academic and industrial research facilities. At the moment, Lyon is a particularly attractive target for investment in commercial real estate and the building of a European business base.



## A UNIQUE PLATFORM FOR SUCCESS

Lyon has a long trading history, which continues today as businesses choose the city as a base.

When in Rome, do as the Romans do. And when in Lyon, do as the Romans did. They chose Lyon as their Gallic base because of its highly strategic location at the confluence of the Rhône and Saône Rivers, a position that not only had defensive advantages but was also conducive to trade.

Some 2,000 years later, the city has kept up with the times, and its strategic location is now more than ever plus. Today, Lyon is at the center of France's sophisticated rail and highway networks, which continue to stretch their long arms deeper and deeper into Europe, making the city an important regional center with one-day transport links not only to much of the rest of France but also to neighboring countries.

This network of ground transportation is backed up by top-notch air connections, buttressed by the new Satolas airport/TGV station. Recently, an expansion of Satolas was announced, and Air France has decided to make Lyon-Satolas its second French hub after Charles de Gaulle Airport in Paris.

Good links to the rest of the Continent and the globe are vital in today's increasingly smaller world, but business begins at home, and in this area Lyon has a wealth of expertise and experience to offer.

### From silk to pharmaceuticals

Once again, history has served the city well: In the 15th century, civil wars at home drove Italian bankers, traders and silk makers to seek refuge in the city, bringing Lyon a strong financial base on which to build. The weaving of silk and other fabrics provided the foundation for the city's prosperity until World War I, when its fabric-manufacturing role declined. But all those centuries of toil at the looms were not for nothing. The technological and scientific know-how and advances that had served the fabric industry were applied to new industrial endeavors, and today Lyon is noted for its expertise in the fields of mechanics, textiles, chemicals, man-made fibers, para-chemistry, pharmaceuticals and biology.

One outgrowth of these traditional industries is a blossoming high-technology sector dealing with electrical equipment, organic chemistry, synthetic dyes, photostyrene products and pharmaceuticals. Lyonnais industries export 28 percent of their production.

Lyon is home to major international industrial powers and multinational corporations like Rhône-Poulenc, Pechiney, Renault Véhicules Industriels and Danone, to mention just a few, but one of the city's great strengths is its network of dynamic small and medium-sized enterprises working in areas ranging from industry to high-technology and services. SMEs account for around 47 percent of employment.

The city's historical role as a trading center has not been neglected, either. Its location and transport links make it an

ideal logistical center for the transfer of goods from both the food and industrial sectors. The city is developing a growing exchange network with northern Italy (Milan and Turin), Switzerland (Geneva) and Germany. Italy and Germany are Lyon's primary trading partners, both in terms of imports and exports. The city also has good relations with Lombardy, Baden-Württemberg, Catalonia and the 20 partner regions of the Southern European Arc, which encompasses Spain, southern France and Northern Italy.

### Intellectual hotbed

In a vital but more intangible area, Lyon is a veritable hotbed of scientific and industrial research, with 450 laboratories employing 5,500 persons, research institutes including the prestigious National Center for Scientific Research and Institut Pasteur employing 7,000, and top universities with around 100,000 students. These centers of learning work hand-in-hand with industry to create exciting new developments in such areas as health, agriculture, agronomy, transportation, civil engineering and the environment.

The devolution of power from Paris to the French provinces and the strengthening role of the European Union in decision-making mean that Lyon has become more autonomous and is moving out of the shadow of the once-overpowering French capital. As national concerns give way to regional ones, Lyon is taking its place as an important regional center serving Southern Europe. The city hosted the G7 meeting of world leaders in 1996, and on Nov. 9-12, it will be the site of the first meeting of the "Partners for Development" initiative of the UN Conference on Trade and Development. The other big event of 1998, the Soccer World Cup beginning on June 10 is expected to bring 2.5 million spectators to the matches, several of which will be held in Lyon.

All of these positive attributes have attracted some 210 foreign companies with more than 50 employees each for a total of 53,079 workers) to Greater Lyon.

### Where life is good

Located in the beautiful Rhône-Alpes region, with varied scenery ranging from the Alps to Provençal landscapes, Lyon also offers terrific sports and leisure activities (including the nearby Olympic ski resorts) and a reputation as the gastronomic capital of the world. Lyon, where cinema was invented more than a hundred years ago by the Lumière brothers, is also home to the Institut Lumière and hosts the prestigious Contemporary Art Biennial.

Life is good in Lyon, with its beautiful monuments and historic quarters, vibrant cultural life (world-class theater, opera, dance, museums, etc.), relatively low cost of living and relaxed pace of life. These were not negligible considerations



Slices of life in Lyon: the Renaissance quarter, the TGV station at Satolas airport, high-tech industry, the central food market.

for the companies that have chosen to set up shop in Lyon.

Companies looking for the ideal European base will find that this is the perfect time to take a close look at the city. The commercial real estate stock and attractive prices are there, along with all the advantages mentioned above.

In addition, ADERLY, the Lyon area's economic-development agency, is prepared to do everything possible to facilitate business set-ups in the city. In the past, it has gone so far as to ensure the establishment of an international school to meet the concerns of Interpol, one of the many organizations and companies that have chosen Lyon as a base. ADERLY provides assistance in correlating new projects with the local economy; choosing a location; dealing with administrative, technical and financial formalities; and helping employees and their families to settle in the area. ADERLY officials will be on hand at the MIPIM real estate conference on March 12-15 in Cannes' Palais des Congrès to answer your questions about commercial real estate in Greater Lyon.

Heidi Ellison

Greater Lyon has come up with an urban redevelopment scheme known as "Lyon 2010" that will help to integrate the city and its environs into a coherent agglomeration, enhancing the strong points of each of the five defined sectors, or "poles," and making the region an even more appealing location for business and industry.

The five poles are the center, the northeast, the east, the south, and the north and west.

The center is composed of the peninsula formed by the confluence of the Rhône and Saône Rivers and the neighborhoods on their banks. The center includes the historic heart of the city of Lyon, with its well-preserved Renaissance neighborhood, Saint-Jean. It also encompasses the ultramodern Part-Dieu complex, the principal business center of Lyon and of the region. Part-Dieu is home to a rail station that sends high-speed TGV trains off into the rest of France and Europe, the largest shopping center in Europe, and the headquarters of many public institutions and private businesses.

The northeast remains largely green, open space. Even the development of the Cité Internationale business and leisure complex at the entrance to the city has not detracted from this aspect of the area, as great attention has been paid to preserving and enhancing its natural beauty. This area will continue to grow in importance as more new office space is made available for rental and sale, and when a 200-room Hilton Hotel opens in 1999. With its Palais des Congrès, it is already the site of regular conventions and conferences.

To the east of Lyon is a wide plain with plenty of land that is ripe for development. This is the location of the Euroexpo exhibition center, the Bron and Satolas airports, and the interconnections of the French highway network, a strategic situation that makes it ideal for companies providing just-in-time deliveries. The Porte des Alpes area in the east has been identified in the 2010 plan as the logical next step for expansion as it is located on the edge of the urban zone. An ambitious redevelopment program is now under way that will integrate the nearby university with a new technology park, currently under construction, specializing in the environment.

The southwest is the industrial sector of Greater Lyon, with companies working in the areas of chemistry, mechanics, agribusiness, etc. The Gerland quarter on the left bank of the Rhône, the site of the Ecole Normale Supérieure, one of France's grandes écoles, is considered a science pole, an attractive location for high-technology businesses. Across the river, at the tip of the peninsula, a significant amount of land is available for development.

The residential areas to the north and west are home to the universities and research centers of Ecully, where numerous high-tech businesses are located. A new subway station in the Vaise quarter of Lyon is bringing new economic life to the neighborhood.

The Lyon 2010 plan will help the authorities identify the strengths and needs of each of these poles so that they can better develop their assets and potential.

H.E.

## STOCKS LOW AND DEMAND RISING FOR OFFICE SPACE

Renovation and development projects are under way to increase supply.

Lyon's market for office real estate places second in France in terms of level of demand, at more than 100,000 square meters (more than 1 million square feet) per year since 1990.

As the effects of the recession waned and the economy picked up in Lyon, the city's commercial real estate market returned to "normal" activity in 1996 after the roller-coaster ride of the speculative boom years between 1987 and 1991 and the downturn in the period from 1991 to 1995.

In fact, the city risks a shortage of available stock as demand rises.

Michel Forien, of the municipal administration of Greater Lyon, says that now is the time to invest in Lyon due to heavy pressure on the market for new office space. He estimates current stock at 30,000 square meters, far below the yearly sales and rentals total of 45,000 square meters in the Greater Lyon area.

According to Alain Schori, regional director of

realtors Auguste Thouraud and president of FNIM Entreprises, only one building, located in the Lyon-Part-Dieu business center, can currently offer space of more than 3,000 square meters in a

With companies looking for large office spaces of 3,000 square meters or more, the area near the train station in the central business district looks ripe for investment.

new building, which is what large companies are looking for. "This is the area investors should be looking at," says Mr. Schori. "The supply no longer corresponds to demand, and thousands of square meters of land are available to build on to the east of the train station in Part-Dieu."

To help remedy the situ-

ation, the city is looking to two development projects, Part-Dieu and Cité Internationale.

**Part-Dieu**  
The central Part-Dieu complex is an administrative and financial center that now represents 25 percent to 35 percent of the market, with 500,000 square meters devoted to service-industry activities and more than 20,000 jobs.

The complex is located next to the Part-Dieu rail station, which is served by high-speed TGV trains, allowing access to Paris, for example, in two hours.

Part-Dieu is currently undergoing a huge renovation project that will improve the public spaces, add parking lots and increase available space.

A prestigious nine-story building, currently under construction, will consist of 15,000 square meters of quality modern office space divisible into units of between 200 square meters and 600 square meters. It will be offered in three stages of 5,000 square meters each at a

rental price of 890 francs (before taxes) per square meter per year or sold for 9,600 francs (before taxes) per square meter, for a potential rate of return of 4 percent.

**Cité Internationale**  
Cité Internationale is an innovative development project located on the banks of the Rhône River next to the beautiful Parc de la Tête d'Or.

Designed by the world-renowned architect Renzo Piano, the handsome complex is home to the Palais des Congrès convention center and the city's Museum of Contemporary Art (the pre-existing building has been totally renovated). In 1997, a UGC multiplex cinema opened, and a 200-room Hilton Hotel under construction is scheduled to open in 1999.

In 1996, Cité Internationale was chosen as the site

of the G7 meeting of world leaders. Interpol has constructed its world headquarters next to the complex, and the city has improved road and public-transport connections to it.

Mr. Forien also identifies the Porte des Alpes area, with its Technology Park and surrounding industrial activities, to the east of the city as a likely investment target.

All this creates an ideal setting for businesses looking for modern office space. The first segment of 14,000 square meters of office space was rented out within one year of being put on the market in 1996, broken down into units of between 150 square meters and 7,000 square meters.

In general, business activities in Lyon are divided as follows: industry and logistics (60 percent of activity) in

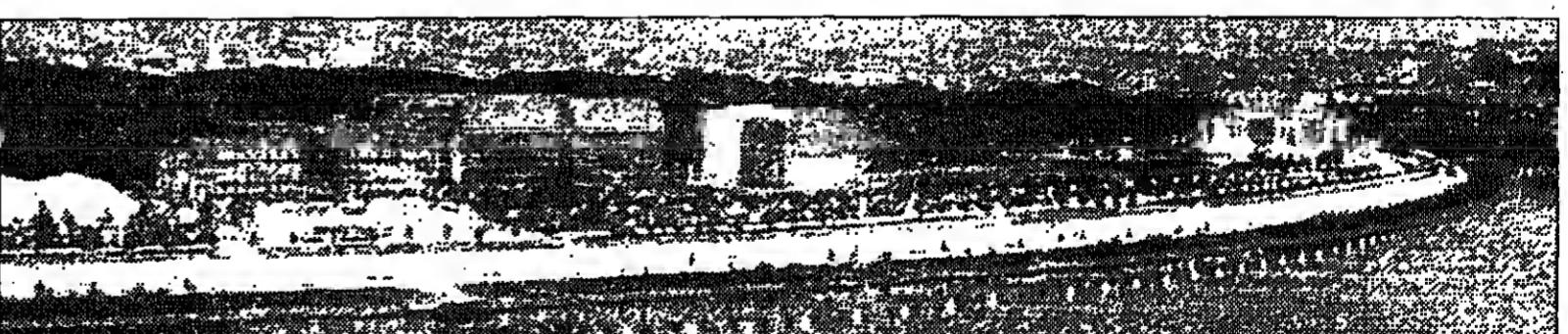
the standard business premises and warehouses in the east and southeast, commercial activities in the center, and after-sales and repair services in the west.

Between 1991 and 1997, the volume of industrial real estate and warehouse transactions doubled in Lyon, reaching 650,000 square meters.

Investors interested in taking a closer look at this exciting market will want to

call on DAEI (The Department of Economic and International Affairs of Greater Lyon) and ADERLY to help them find a suitable site and set up business in Greater Lyon. Or see them at their stand at the MIPIM real estate conference at the Palais des Congrès in Cannes on March 12-15.

H.E.



Cité Internationale, between the Rhône River and the Parc de la Tête d'Or, was designed by the renowned architect Renzo Piano.

## USEFUL ADDRESSES

### HELP FOR INVESTORS

Greater Lyon Department of Economic and International Affairs (DAEI)  
Lyon Area Development Agency  
20, rue de la Bourse  
69289 Lyon France  
Tel.: (33-4) 78 63 41 36  
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Lyon at MIPIM  
March 12-15, Palais des Congrès, Cannes  
Stand no.: 13.20-15.19  
Stand tel.: (33-4) 04 92 99 80 30

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20, rue du Lac  
69399 Lyon Cedex 03, France  
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# INVESTING IN EUROPEAN REAL ESTATE

## A GLOBAL GAME WITH BIG PLAYERS

*Structural changes in the world economy are bringing new resources to the European market.*

Until now, real estate dealing in Europe has been largely dominated by national markets and local ways of doing business. This is now changing rapidly in line with the development of global capital markets, the demolition of restrictive barriers between individual European countries and the emergence of world-class institutional players with large appetites and a drive to move their funds around the globe in response to shifting profit patterns.

"There is a big structural change going on in the world economy, which the Anglo-Saxon countries — especially the United States and Britain — have been better able to respond to than Continental Europe," says Angus McIntosh, head of research at Richard Ellis, real estate agents in London.

"This is because their market structures are much more flexible. The old cozy European ways of 'doing business' are now breaking down. In Germany, for instance, banks have traditionally invested heavily in companies that they financed, thus reducing the need to raise equity capital on the stock exchange. Change is now being boosted by forces such as accelerating corporate mergers, acquisitions and privatization, which place more emphasis on equity holdings and stock market flotation."

Amsterdam-based ING Real Estate — a subsidiary of the ING banking and insurance group — provides a good example of the above trends. "Our core business includes asset management, property development and finance," says Hermann Van den Berg at ING Real Estate. "Currently, we are working on developing new funds that will offer third parties an opportunity to invest alongside our group. This move responds especially to the needs of funds such as pen-

sion funds around the world. Many of these wish to include real estate in their portfolios, but hesitate to invest directly in this sector because internationalization is making the situation more complicated."

### Vital cross-connections

The trend toward internationalization of the property markets also creates new challenges for property agents, though the largest assert that they are ready to meet these. "Our firm is organized on an entirely international basis, with cross-connections between our offices in different countries," explains Robert Lipscomb, managing partner at Healey & Baker, agents in Paris. "This enables a partner anywhere to advise international investors on a pan-European basis as to where they can best place their funds."

The growing internationalization and professionalism of property dealing in Europe are also illustrated by the increasing application of techniques imported from the United States. These include securitization (a technique that allows investors to raise debt finance more easily from the markets by granting buyers of the debt rights over related assets), facilities management and so-called "work-out teams."

Following the collapse of French property prices in the early 1990s, for example, investors from the United States and other countries have recently been moving in to buy up real-estate-linked debt portfolios and properties at knock-down prices.

These have earned the nickname of "vulture funds," though according to Charles Pridgeon, who handles real estate financing and deals at Bankers Trust in London, such funds play only a small part in the overall equation.

"In a characteristic U.S. purchase of French real es-



*Renovations like this one on Paris's Rue de Rivoli may combine retail, office and residential units.*

tate," Mr. Pridgeon says, "there will be a consortium of U.S. investors in a fund, which will provide 20 percent to 40 percent of the price by way of equity. Typically they will be partnered by a French bank, which will be lending the rest of the money. This will include a French work-out team that will strive to obtain maximum value out of the assets."

Bankers Trust, whose head office is in the United States, operates as an investment bank and offers advisory services across Europe. Recently, the bank has also started buying European real estate for its own account. For instance, it now owns 110 properties in France, with a total book value of \$500 million French francs (\$82 million).

"We employ our own work-out team on these properties," Mr. Pridgeon says. "The team includes an aggressive sales contingent who know the history of the properties, but are not weighed down by the problems that the properties have suffered over the last five years or so during the recession. Our work-out teams are pursuing

very active leasing policies and moving decisively to clear up any outstanding legal problems associated with the properties."

**A team effort**  
The technique known as facilities management is also now increasingly applied by public utilities and government agencies, such as the social security department in Britain. "The idea is to put together specialized teams that can optimize the use of buildings and land, selling off the ones that are not needed and using the proceeds to upgrade the essential facilities," Mr. Pridgeon explains. "The technique also makes possible the pooling of buying power."

At the same time, approaches to financing property deals are also changing. Against a background of low inflation across Europe, borrowers and investors are looking much more at cash-flow projections than they used to do, and are taking a relatively conservative view of these. Securitization is also starting to make an appearance.

"Opportunistic property

buyers in France are now gearing their acquisitions by taking out long-term mortgages for a substantial proportion of the price," explains Erik Sonden, European partner and director of investment at Jones Lang Wootton, property agents in Paris. "Price levels are now very attractive, with yields on prime office properties in central Paris standing at 6 percent to 6.5 percent. There is now a clear trend for French banks and German mortgage banks to become much more active in financing French real estate acquisitions. French banks that were previously laden with dodgy real estate loans are now coming back onto the real estate market."

Henri M. Philippe Alster, cochair of the "Global Investors in European Real Estate Conference" being held at the Carrousel du Louvre in Paris, Feb. 4, points to the U.S. market's "rancor of glory": high prices and shopped out properties. Institutions that took advantage of the distressed property market there a few years ago are now turning to Europe.

Michael Rowe

## WHEN THE MANY MARKETS SHARE A SINGLE CURRENCY

The planned 1999 introduction of Europe's single currency, the euro, will have significant impact on the property business, some analysts say. As a result, European Union capital markets should become both more accessible and less easy to control by national governments. Better access to the markets will make it easier to finance property deals. This, in turn, will lead to greater internationalization of European property markets, which should become less fragmented than they are today.

"The euro is particularly significant, since it will eliminate the currency risks between participating states," says Hermann Van den Berg at ING Real Estate in Amsterdam. "Moreover, the introduction of the euro will force national authorities to iron out existing legal and tax differences over

say, the next 10 to 15 years. It will clearly be easier for us to invest in European countries that are inside the euro zone than in those that are outside. In this context, we think that Britain will join in the second wave, together with Hungary, the Czech Republic and Poland."

Hans Van der Werf, also of ING Real Estate in Amsterdam, takes the above points further. "The euro will provide much greater liquidity to the capital markets," he says. "If 15 countries take part, the capital markets will be twice those of Japan and 70 percent of the U.S. market. This will mean huge opportunities for investment, including money destined for retirement plans. Also, these moves are occurring at a moment when governments are cutting back on public debt, thus offering fewer opportunities to investors.

looking at how to broaden the scope of these funds further to other European countries and to the United States."

**Alternative vehicles**  
This means that investors are having to turn more to the equities and property markets for new opportunities, Mr. Van der Werf points out. "One of our main aims in this context is to create new property investment opportunities by developing and diversifying our funds," he continues. "For example, at the moment we are looking at the idea of an Iberian fund covering Spain and Portugal. This will later be included in a European retail fund, which will participate in funds in different countries. At the moment, our main clients for indirect property investments are in the Netherlands and the United Kingdom. We are now

looking at how to broaden the scope of these funds further to other European countries and to the United States."

**Some property specialists**

believe that the euro will have less dramatic effects.

"It is true that the introduction of the euro will remove the exchange risk between participating countries," comments Nick Lening at Henderson Real Estate Strategy in London.

"However, it will not create a totally homogeneous property market across the euro zone,

since other barriers, such as different tax regimes, transaction costs and legal and lease structures, will remain."

Erik Sonden, European partner and director of investment at Jones Lang Wootton in Paris, takes a similar line.

"In my view, the introduction of the euro will not have a very significant impact on investors," he says. "International Investors can already hedge against their risks today in order to eliminate or diminish the exchange risk. The major change for European markets will be when national tax systems are harmonized."

Angus McIntosh, head of research at Richard Ellis agents in London, says that the euro is almost a side issue.

"What matters for investors in property and other assets is finding the stock markets that offer the greatest depth and liquidity," he asserts.

"In this respect, London is growing in importance, regardless of whether or not Britain joins EMU at an early date."

**Inflationary effects**

One indirect consequence of applying the euro across the European Union could be to trigger a rise in property prices by increasing the rate of inflation.

"Ultimately, the euro will probably include countries such as Britain and Italy," says

Charles Pridgeon at Bankers

Trust in London. "These countries will exercise greater inflationary pressure than states such as France and Germany, which are leading the way to EMU."

M.R.

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## WHITHER THE SMART MONEY?

Two hundred international property investors were recently invited to take part in the Millennium Investment Portfolio Game organized by agents Jones Lang Wootton as part of a November 1997 conference staged in Brussels. Each participant was notionally allotted \$10 million Ecu (\$545 million) to invest in the properties that he or she thought would bring in the best returns between now and 2000.

"Paris offices came top of the list, followed by Spanish shopping centers and then offices in the city of London," recalls Victoria Marquis, senior analyst with the investment and research department of Jones Lang Wootton in Paris. "Numbers four and five were Prague retail premises and offices in Warsaw respectively."

"U.S. property investors have recently been prominent cross-border players in Europe, with a tendency to merge assets and to go for markets in both east and west. Also, U.S. capital and pension funds are increasingly looking to Europe to provide new investment opportunities. At the same time, Europeans themselves are now returning as buyers to the Continent's choicer centers."

### Broad trends

In Britain, property markets are already booming. In several other countries, including France and Spain, analysts believe that they have bottomed out and that recovery is now on the way. Also, at a moment of turmoil in world financial markets, some see properties in major West European countries as a relatively safe haven. The more adventurous are looking east for higher returns. All of these trends are giving further impetus to investment moves across the continent.

"Demand is rampant in London," says Angus McIntosh at agents Richard Ellis. "Around 5 million square feet of office space are currently under offer and about to be signed. This is in addition to the 11 million square feet placed during 1997." One example is Swiss RE (the giant Swiss re-insurance group) that has acquired the old Baltic Exchange building in the City and is currently having it rebuilt to provide 3,000 square feet of accommodation.

In Southern Europe, Italy is also starting to attract international investor interest in real estate. "So far, demand is limited, because of the traditional perceived view of Italy," comments Robert Lipscomb at Healey & Baker in Paris. "However, the necessary underlying factors to attract investors are all present. The economy and currency are doing well, and politics are more stable. Italy is also trying to

get into the euro in the first wave. To date, international interest in Italian property has centered almost exclusively on shopping centers. Investors who have recently bought shopping centers there include Schroders and the Dutch group Foram." International players such as Morgan Stanley have also been active in buying distressed real-estate-linked loans in Italy.

### Focus on retail

Shopping centers are also a particular target of foreign investor interest in Spain. For example, Bankers Trust recently acquired an equity stake in the File shopping center group. Other examples are the Hines acquisition by U.S. investor Hines of the Diagonal Mar center in Barcelona, the purchase by Focas of a shopping center in Marbella and several Spanish shopping center purchases by the Dutch fund, Rodamco. The British-based Heron group is looking seriously at leisure-sector property opportunities in Spain.

"The investment trend in France is now moving more and more away from buying distressed loans to purchasing real estate itself," comments Charles Pridgeon at Bankers Trust. "Quite a lot of this is connected with state declassification vehicles, including the CDR [connected with the Crédit Lyonnais bank] plus the AGF declassification vehicles. Germany, on the other hand, is weighed down by the fact that it attracts relatively fewer corporate locations because of the very high wages there. Added to this are the problems of the eastern parts of the country. Dresden offices are 40 percent vacant, with a 13 percent vacancy level on residential properties."

At the same time, major German funds have money ready to invest and are eager for investment opportunities. "Recent reforms in the regulations governing German funds now make it possible for them to place money in indirect property assets outside Germany," Mr. Pridgeon says. "As a result, they are likely to invest massively in favored markets — France in particular — over the next year or so." Agents like France's Cogedim are responding with service packages that include legal, technical and financial expertise.

The 26,000-square-meter former Pechiney building in central Paris, in which the Paribas banking group owns a controlling interest, is currently for sale. Sources say that a German fund could be on the point of buying it for around 1.35 billion French francs (\$220 million). M.R.

### "INVESTING IN EUROPEAN REAL ESTATE"

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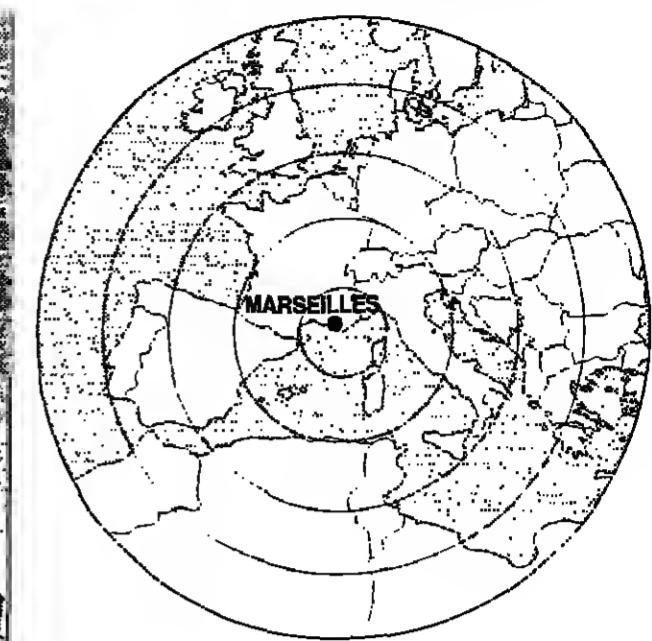
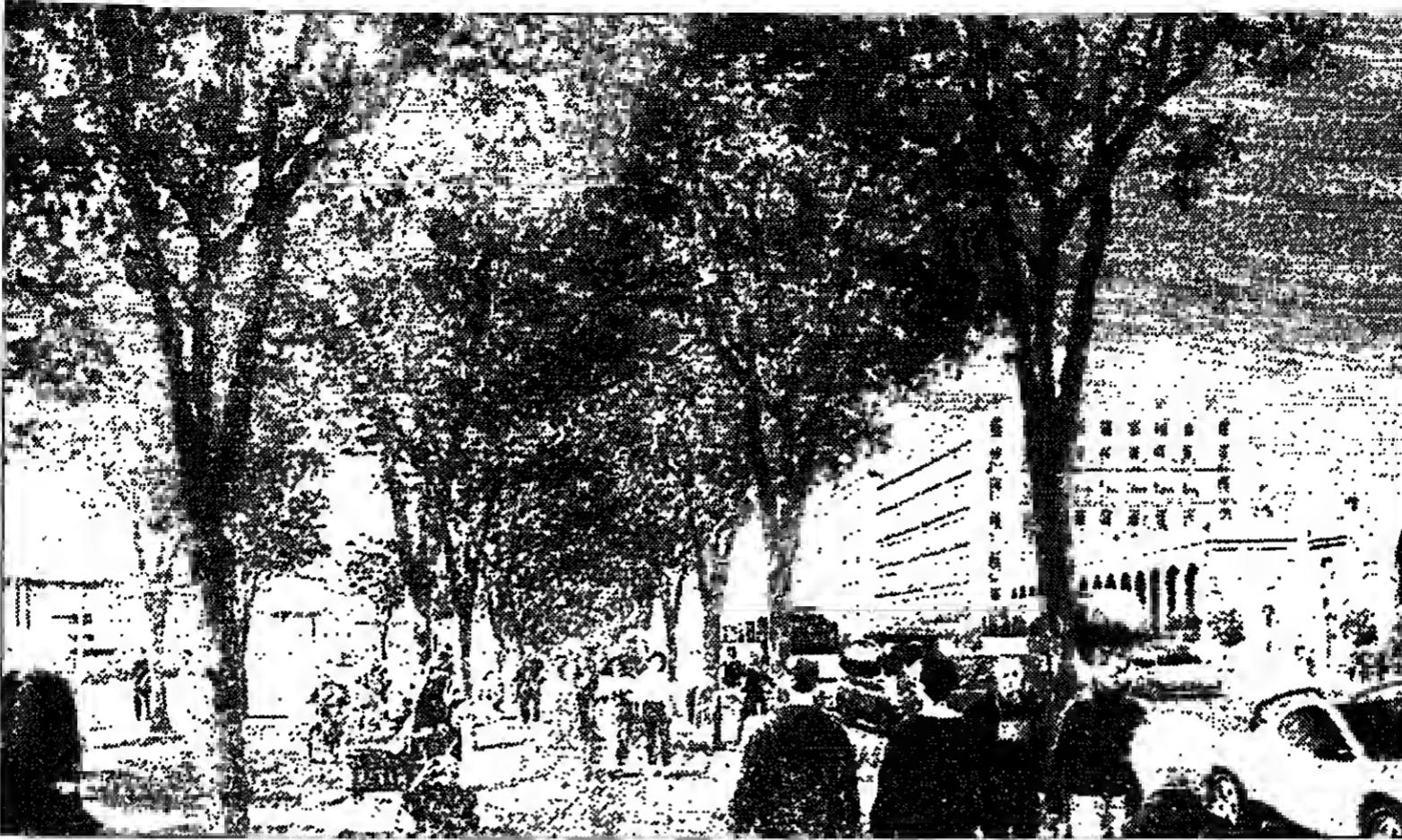
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# INVESTING IN EUROPEAN REAL ESTATE: MARSEILLE-EUROMÉDITERRANÉE

Marseilles is undergoing a metamorphosis. Marseille-Euroméditerranée, the future city center, is taking shape on a 310-hectare site. One-third of this area is suitable for waterfront development along one of the few stretches of Mediterranean shoreline still available. Structural investment is increasing. The sums invested thus far in Europe's Mediterranean TGV train terminal, Port Authority programs, international airport, Grand Urban Project — plus the largest shopping mall in France — add up to more than 8 billion francs. At right, the Boulevard du Littoral (artist's rendition).



## PROPERTY REFLECTS URBAN RENEWAL

Development is transforming the city center into the hub of the Mediterranean basin.

**M**arseilles does not have the reputation that it deserves, as those who know the city can attest," says Mr. Pierre Lejeune, an executive with French property developer George V.

His firm is responsible for Les Docks, one of the first renovations of Euroméditerranée, an ambitious urban renewal project encompassing 310 hectares (766 acres) in the heart of the city.

Why did George V invest 1 billion francs (\$167 million) in Les Docks? Because, says Mr. Lejeune, "Marseilles is a transportation hub with a major port and an excellent geographical position, and it presented a very good investment opportunity for us."

George V and other savvy investors believe that Marseilles outshines its rivals as a place to invest.

"The return in [other] cities is not so great because there is not as great a differential between expectations and potential," says Mr. Lejeune, who expects his company to see a return on Les Docks by the time the project is completed in 2001.

Even before the Euroméditerranée initiative was launched in December 1995, Marseilles was holding its own during the European real estate slump of the early 1990s. It experienced less of a downturn than many large cities in France. The number of new residential apartments being sold in the center of the city has doubled in the last two years, and the demand for office space in Marseilles is so high that Euroméditerranée intends to construct 100,000 square meters (1.08 million square feet) of office space over the next five years, for a total of 500,000 square meters over 15 years.

**Waterfront as centerpiece**  
Marseilles' waterfront plays a key role in Euroméditerranée planning; more than one-third of the Euroméditerranée project lies along the waterfront. When the port area has been restored, beauty will bring business. The harbor will have special areas for cruise ships to dock in and an attractive terminal for arriving and departing passengers.

The largest urban redevelopment project in France has a

number of development areas. The most important are La Joliette, Saint-Jean and Saint-Charles-Porte d'Aix, along with Belle-de-Mai and Arenc.

La Joliette, located on the harbor, is primarily a center for international commerce and technology. Some spaces will be allocated for hotels, and the habitat, with the water nearby, is diverse and refreshing. Les Docks is shaping up as prime office space — many offices have been renovated with marble and paneled wood — with stunning views of the Mediterranean Sea. Enterprises from finance to media are already moving in.

### Heart of the city

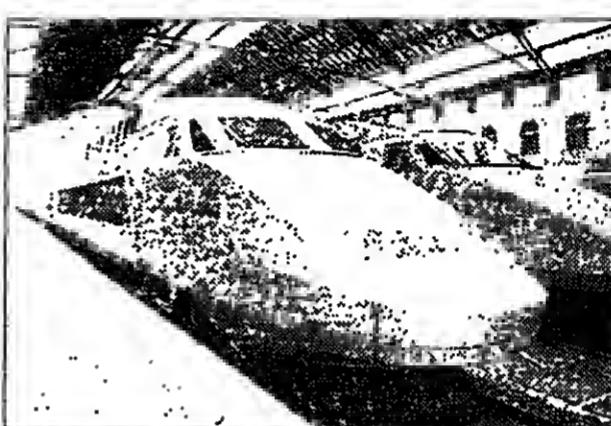
Saint-Charles-Porte d'Aix, in the very heart of Marseilles, will be home to businesses, housing and hotels. A new university campus will further add to the intellectual vitality of the neighborhood. The train station — currently under expansion to accommodate the high-speed TGV in a few years — will eventually be the site of the largest multi-mode transportation in a European city center, reinforcing Marseilles' role as the crossroads of the Mediterranean basin.

Saint-Jean, also on the harbor, blends aesthetics and history. With well-preserved architecture that dates to the time of King Louis XIV, the area is developing a focus on tourism as well as maritime activities. The Cathedral, Fort Saint-Jean, Fort Saint-Nicolas and Fort Entrecasteaux are some of the main attractions.

Belle-de-Mai and Arenc are marked for attention as future artistic and business zones: Belle-de-Mai, formerly a warehouse area, is the up-and-coming cultural center in Marseilles. It already has space for performances and exhibitions, plus studios and lodges for artists in residence. The restoration ateliers of the Louvre and Versailles have already established activities in the area.

Arenc, along the harbor, will link port activities with the high-tech activities of La Joliette. The area will include housing and public recreation areas in addition to professionally oriented buildings.

Claudia Flisi



France's famous TGV trains are coming to Marseilles.

### 'LES DOCKS' BRIDGES HARBOR AND THE HEART OF THE CITY

Although the word "docks" originated in England in the 1800s, Marseilles has long been a reference point for the commercialization of a city's docks, owing to its logistic advantages. Le Lacydon — the natural dock of Marseilles — is large and centrally located and protected from the winds.

Docks are again drawing attention to Marseilles' commercial potential. This time, the reference is to Les Docks, a beautifully restored 19th-century building complex occupying 2 hectares (5 acres) of waterfront in the Joliette area of the city. Privately developed by French development company George V, it is the star attraction in Euroméditerranée's redevelopment program.

Hervê Watthine, an executive with real estate developer Auguste Thouraud, says that Les Docks/La Joliette benefits from "an exceptional infrastructure, plus ready transportation access to the highway leading out of town and to the city center by car and subway."

When fully renovated in 2001, Les Docks will offer 100,000 square meters (1.06 million square feet) of state-of-the-art office space to service companies, especially those with an interest in trade and commerce. Occupants to date include international banks and accounting firms, utility companies, the Marseilles Chamber of Commerce, the American Bureau of Shipping, restaurants, business services and the headquarters of Euroméditerranée itself. "We invested because Les Docks presented a very good investment opportunity," says Pierre Lejeune, an executive with George V.

### Old is new

Additional opportunities in the area around Les Docks are of two types: new construction and the upgrading of existing buildings. Upgrading projects include a number of buildings constructed two decades ago that hold promise because they offer ample office space — a critical advantage in today's market. One example is "Europrogramme," facing Les Docks, which is in the process of transformation. The owner is a group controlled by Italian financier Carlo de Benedetti.

For new construction, permits will be issued in 1999. The permits are needed, says Mr. Watthine, because there is barely a year's worth of existing stock to satisfy the demand for commercial space.

Euroméditerranée is discussing investment projects for hotels, apartments and office space, with a view to creating an inner city where professionals will want not only to work but also to live. Development projects include schools, parks, cultural centers, sports facilities, public spaces and improved traffic flow, parking and lighting.

La Joliette's 25 hectares encompass 270,000 square meters of gross space, to be divided as office space (145,000 square meters), new and renovated residential space (80,000), hotels and commercial space (20,000) and public facilities (25,000).

The success of Les Docks is well under way, says Dominique Becker, general manager of Euroméditerranée. The main works in progress are in "la Place de La Joliette," a one-hectare public area that includes subway stations and restaurants and that will provide space for the first 60,000 square meters of new construction.

C.F.

## WORLD FORUM AT THE SEASIDE

Giving international visitors and travelers a civic meeting place is a high national priority.

**T**he 5 hectares (12 acres) of the Saint-Jean section of Marseilles run along the harbor, bridging sea and center city.

The location enjoys views of the historic harbor and the Mediterranean. Euroméditerranée is investing 70 million francs (\$11.63 million) to create a new cruise-ship terminal that will help the city capture a larger share of the growing cruise market in the Mediterranean.

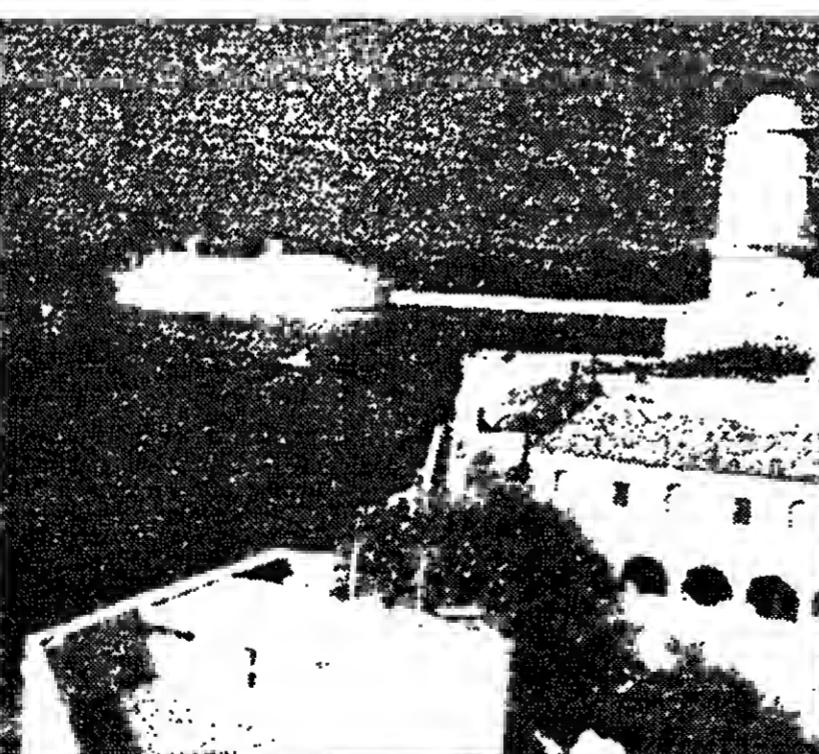
Two large hangars, remnants of the old industrial port, have already been demolished, and the competition to design the new terminal is under way.

**Proposals invited**  
At the same time, Euroméditerranée is inviting proposals for a maritime park that 1 million visitors are expected to enjoy each year.

Inspired by successful projects like Baltimore's Inner Harbor, the Belem section of Lisbon and Tempozan in Osaka, the organization is currently evaluating proposals that will take advantage of the site's natural and historical attractions, including a museum that will be housed in historic Fort Saint-Jean.

**Winning combination**  
The theme being encouraged combines the romance of the sea, the Great Explorers and the merchant fleets. Euroméditerranée is spearheading a total of 70,000 square meters (753,474 square feet) of new construction in three clusters: le Boulevard du Littoral, la Place de la Mer and the Bassin et la Place Saint-Jean.

The Boulevard of the Littoral will take traffic underground while redeveloping Avenue Vaucluse. Plans for this project are already at an advanced stage.



The Saint-Jean development will be dedicated to cruises and leisure.

The Place de la Mer involves the restoration of 15 hectares as a public crossroads between city and sea, dominated by the Esplanade de la Major.

**To the lighthouse**  
The Bassin et la Place Saint-Jean is a 1-hectare bridge between the Old Port and the new terminal for ferries and cruise ships. It will be the departure point for excursion boats to the nearby islands of Frioul and Chateau d'If (the latter famous for its connection with "The Count of Monte Cristo"). Boat shows and events connected with the nearby pier (Môle Major) will also take place here. This site's position facing the city's lighthouse and the 13th-century Fort Saint-Jean makes it ideal for such activities.

**Tempting excursions**  
Even without a portside attraction, tourism from cruise ships and ferry passengers has already increased dramatically in Marseilles. Between 1995 and 1997, the number of stops by such vessels rose from 44 to 117, and the number of passengers from 26,000 to 90,000.

Marseilles stands to benefit even more when its new cruise-ship terminal is completed: two-thirds of all cruise-ship visitors buy some sort of excursion while in port.

**For more information, please contact**

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The Euroméditerranée Public Agency will offer a preview of the first developments — the Saint-Charles TGV train station and La Joliette waterfront — at the MIPIM trade fair in Cannes, March 12-15, 1998.  
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## WORLD ROUNDUP



Dave Richardson of South Africa trying to stump Australian batsman Steve Waugh.

### Waugh Earns Draw

CRICKET Mark Waugh scored 115 not out Tuesday to earn Australia a draw in the third test against South Africa and a 1-0 victory in the three-match series.

Waugh batted for 404 minutes as Australia, which needed to score 361 to win, reached 227 runs for seven wickets at the close.

However, Hansie Cronje, the South African captain, complained that Waugh should have been given out. Waugh was felled by a bouncer from Shaun Pollock, the South African fast bowler, with eight overs to play. Waugh staggered and hit his wicket with his bat. The umpires decided that Waugh had completed his shot and gave him not out.

"If someone gets hit on the head and is hit wobbly and walks on the stumps he is out," Cronje said.

South Africa dropped 10 catches in the match. Waugh was dropped three times. (AP)

### Benes Heads for Arizona

BASEBALL Andy Benes, whose \$30 million, five-year deal with the St. Louis Cardinals was voided by management's Player Relations Committee because it was agreed an hour after the Dec. 7 deadline, has reached a deal with the Arizona Diamondbacks. The expansion team will pay the pitcher about \$18 million over three years.

Bob Watson, the first black general manager to win the World Series, was planning to resign from the New York Yankees on Tuesday. The Associated Press and The New York Times reported. Both said Watson had grown weary of dealing with George Steinbrenner, the team owner. His assistant, Brian Cashman, 30, will take over. He will become the second-youngest general manager in baseball history. (AP, NYT)

### A Novel Twist for Vikings

FOOTBALL The novelist Tom Clancy will be the new majority owner of the Minnesota Vikings, James Jundi, one of the current co-owners, said Tuesday. The purchase price will be about \$200 million, he said.

Clancy's bid involves other investors. He would not identify them, but confirmed he was the majority investor and would own at least 30 percent of the team. Clancy is also a minority owner of baseball's Baltimore Orioles. (AP)

### Real Madrid Pays Penalty

SOCCER Real Madrid threw away the chance to go to the top of the Spanish First Division when it lost at home to Valencia, 2-1, on Monday night.

The match hinged on three penalty kicks. Gaike Mendieta gave Valencia the lead with a fourth-minute penalty. Eight minutes later, Pedrag Mijatovic of Real missed a penalty. He scored Valencia's second goal from open play in the 17th minute. Davor Suker replaced Mijatovic and scored Real's goal with a penalty. (AP)

Celtic beat Aberdeen, 3-1, on Monday night to pull level with Rangers and Hearts at the top of the Scottish Premier Division. All three have 48 points from 23 games. (Reuters)



Celtic's Morten Wieghorst celebrating a goal against Aberdeen.

## In Nagano, Even the Ink Is Watched

### Security Net for Games Is Meant to 'Stop an Ant'

By Kevin Sullivan  
Washington Post Service

NAGANO, Japan — Out in the frigid field house, behind the kerosene heater and a crate of dirty old baseballs, coach Akinori Yamadera keeps his three pitching machines chained to steel girders in the wall.

With the Olympics starting on Saturday, the Nagano police have asked local high schools to keep their baseball-tossing machines under lock and key so terrorists can't steal them and use them as weapons.

"These machines can throw a ball at 150 kilometers an hour, so you could kill somebody," Yamadera said, as the boys of the Nagano Commercial High School baseball team began their warm-ups on a snowy afternoon. "It's a one-in-a-million chance, but if anything happened it would be a disaster. If this machine were used in an act of terrorism it would be very embarrassing for Japan."

That risk was highlighted Monday by a series of explosions at Tokyo's Narita airport, where foreign athletes, officials, fans and media have been arriving for the Games. Nagano officials said Tuesday that the explosions were not related to the Games. Officials also said they were stepping up security following the airport attack.

One person was injured Monday when two or three small bombs exploded in a cargo area at the airport. The police suspect that radicals opposed to expansion of the airport may have been behind the attack.

With those explosions and the bombing at the 1996 Summer Games in Atlanta still fresh in their minds, the organizers of the Nagano Olympics have spared no effort, as one police officer said, to "create a security net that even an ant couldn't crawl through."

Locking up pitching machines may seem excessive, especially in a small mountain city where crime is virtually nonexistent. But since the terrorist attack at the Munich Games in 1972 that left 11 Israeli athletes and officials dead, and the Atlanta bombing that resulted in one death and injured 100, organizers here recognize that the Olympics pose a tempting target for extremist groups and violent attention-seekers.

So the Japanese hosts, planning down to the tiniest detail, are even asking merchants to record the names of anyone who buys large amounts of ink that could be used to deface Olympic sites or be tossed on a famous visitor.

"The Olympics is like a dream come true for us," Yamadera said. "As the Japanese proverb says, 'If you prepare fully, you will have no regrets.'

Security officials are especially concerned because of the parade of celebrities that will attend the Nagano Games. Emperor Akihito and other members of the imperial family will be joined by many European royals, including Prince Albert of Monaco and Princess Anne of Britain. Tipper Gore is scheduled to visit Nagano in the days leading up to the Feb. 22 closing ceremony.

Olympic organizers have asked travel agencies to turn over all the names of people who have purchased tickets for events that members of the imperial family will attend. Presumably, they are combining the list of an estimated 150,000 names and telephone numbers for criminals.

Organizers have not revealed where athletes from individual countries will be staying in the 23-building athletes' housing complex. The location of each delegation is being kept confidential to protect against terrorists with a grudge against any particular country, thus as some athletes began arriving, they hung their national flags from their windows.

Organizers are fretting, but so far they have refrained from issuing an anti-flag edict. The 3,000 athletes are under constant guard. Metal detectors and security guards are stationed at all entrances to the athletes' village and at all competition venues.

Officials say 6,000 police officers from all over the country will patrol Nagano during the Olympics, aided by 3,000 more professional and volunteer security guards and fire fighters hired by the organizing committee. Expert skiers from the Japanese military will also be on call to deal with emergencies.

Guns are uncommon in Japan that the rifles used in the biathlon, an Olympic event combining skiing and shooting, will be kept locked in rooms guarded by a James Bond-like security system. To get in, athletes will have to pass through an optical scanner that reads the unique pattern of their irises.

Private hunting groups have been asked to stay far away from Nagano and its surrounding mountains, and the few owners of registered guns, swords and other licensed arms have received letters from the police asking them to keep the weapons locked up for the next three weeks. Merchants have been asked not to sell fireworks until the Olympic torch has passed on.

Few here believe that anyone is going to haul a 112 kilogram-pitching machine into the Olympic stadium to fire grenades at the emperor, or use national flags to target a sniper attack. But most people say it is better to be safe than sorry.

"It's like an earthquake. It's always in the back of people's minds, but you don't really think it's going to happen," said Haruo Machida, 43, a local government official.



Japanese soldiers trampling snow Tuesday on the slope for the women's downhill competition in Hakuba. (Wolfgang Rattay/Reuters)

## Engineering Victory at Olympics

### High Tech Invades Winter Sports, From Pricey Waxes to Simulators

By Christopher Clarey  
New York Times Service

WENGEN, Switzerland — Willy Wiltz, the Californian who prepares the downhill skis for the defending Olympic champion Tommy Moe, pulled out his "magic box."

Inside were dozens of small vials, each filled with a different powder. "They kind of look illegal," Wiltz said.

They are fluorocarbon "waxes," relatively new and ever-mutating versions of the paraffin waxes that recreational skiers use. Fluorocarbon waxes have been present in elite alpine and Nordic skiing for most of the decade, but in the last four years, there has been a proliferation of specialized brands adapted to a variety of snow conditions and temperature ranges.

The waxes are less adaptable when it comes to price ranges.

"One of these costs 100 bucks," Wiltz said, holding a vial up to the light and shaking his head.

There is a great deal of head-shaking going on in winter sports. Technological innovation has become an inextricable presence in the lives of athletes and their entourages as it has for those of us who used to live quite happily without modems and hard drives.

There are postmodern waxes, parabolic skis, bobsled-driving simulators, refrigerated tunnels for cross-country skiing, refrigerated start tracks for luge, wired triggers on biathlon rifles and altitude houses for athletes who bawl from low-lying nations. There are clap skates for speed skaters, although those are not quite as new as one might imagine. There are portable weather stations, portable timing systems equipped with lasers, stone-grinders for ski bases and rapidly expanding databases.

Just since the 1994 Olympics in Lillehammer, Norway, there are better goggles, better ski-jumping suits, better boots, better bindings, better poles, better treadmills, better luge booties and better bobsled axes (woops, those are illegal).

"I think you'd find any coach would echo the idea that the pace of change is getting increasingly difficult to manage," said Tim Derrick, the assistant coach of the U.S. biathlon team.

"It has become incredibly intensive in terms of what it takes to be on top, yet that's our job, so we do the best we can. It really takes an aggressive, creative, problem-solving attitude."

Derrick has to find a way to wax too many skis in too little time without endangering his health (fluorocarbon waxes wear elaborate masks to protect against fumes) and to develop biathletes in a nation where biathlon is about as popular as ski jumping in Tahiti.

Others face even more daunting problems. Consider the Finnish entrepre-

neurs who wanted cross-country skiers to train in the summer without having to travel to a glacier. Solution: a 2,120-meter (3,990-foot) tunnel at the Vuokatti Ski Training Center in Sotkamo, Finland.

The concrete tunnel does for serious Nordic skiers what the Skidome in Tokyo, with its refrigerated indoor slope and lifts, did for recreational alpine skiers. It makes their sport a year-round option. The tunnel is 8 meters wide and 4 meters high and equipped with snow-making machines and an Internet camera. The brainchild of Vesa-Pekka Sampana, a former coach of Finland's Nordic combined team, it opened in July and attracted 20,000 skiers before closing for the winter.

The Finnish cross-country skiing stars Jari Isometsa and Mika Myllyla were frequent visitors and are stakeholders in the project, which cost about \$3 million. National Nordic teams from Austria, France, Japan, Russia and Switzerland have trained in the tunnel.

Technicians like its controlled conditions for testing equipment and waxes.

The average temperature is minus 5 centigrade (23 degrees Fahrenheit), but Leena Penttinen, marketing manager for the training center, said it was adjustable, with minus 18 centigrade (zero Fahrenheit) the coldest setting attempted so far.

Penttinen said the tunnel had the potential to be fitted with oxygen-regulating equipment that could simulate high-altitude conditions. But for the moment, visitors such as the French and Japanese Nordic combined teams seem content simply to sleep in the nearby "altitude house," an 18-bed facility with low oxygen levels that allows them to increase their red-blood-cell count and, hence, their endurance.

WIND-TUNNEL testing for skiers, lugers, bobsledders and ski jumpers is already de rigueur. So is the use of high-speed video to allow coaches to analyze spins, leaps and turns at 240 frames a second instead of the customary 30 frames.

One of the recent innovations by the U.S. Olympic Committee — and its sports scientists are not eager to discuss all their work — is a training tool to monitor the aiming and trigger-pulling techniques of biathletes.

A small laser mounted underneath the rifle shows athletes exactly where they are pointing their weapon, and the trigger, in techno-speak, "instrumented," which means it is covered with a plate designed to measure the amount and type of force an athlete applies to it.

Coaches can watch and then analyze the data on video or a laptop screen.

"In our sport, trigger control is so important because your heart is beating 160 times a minute," Derrick said. "If all comes down to your finger, and this is an incredibly good tool."

A small laser mounted underneath the rifle shows athletes exactly where they are pointing their weapon, and the trigger, in techno-speak, "instrumented," which means it is covered with a plate designed to measure the amount and type of force an athlete applies to it.

Coaches can watch and then analyze the data on video or a laptop screen.

Many skiers have also begun elevating themselves with the use of plates on top of their skis to get more turning leverage. Though this was regulated by the sport's governing body, FIS, last season, some skiers have compensated by adding material to the heels of their ski boots. In theory, a skier's foot now can legally be as high as 110 millimeters (4.33 inches) above the snow.

But no innovation has received more attention than the clap skate, which has revolutionized speed skating in the last two seasons and thrown out the old record book in the process. While conventional skate blades were attached to the boot, clap-skate blades are not attached to the heel and increase a skater's ability to push off.

Clap skates, however, are not so new. A German company received a patent for a similar design in the late 19th century. It wasn't until the early 1980s that Dutch scientists developed a modern version, and it was not until the 1996-97 season that skaters for the Dutch national team adjusted their technique and converted. Now, every medal contender in Nagano will be wearing the skates.

But other sports have drawn lines in the snow. At the World Bobsled Championships last year in Switzerland, the three Swiss sleds that swept the medals in the four-man event were all disqualified for using axles that were not of the required one-piece construction and not made of steel. But one suspects that it was only a temporary setback for progress.

"They've been asking me how to conceal a motor in a bobsled," said Tim Conrad, the sports science engineer for the U.S. Olympic Committee who developed the smart biathlon trigger. "For the moment, it's too obvious with the smoke and the noise; but give me time, give me time."

## World Cup? The Dream Can End in A Second

By Rob Hughes  
International Herald Tribune

LONDON — It takes four years, maybe longer, to nurture the World Cup dream — and an obscene few seconds to destroy it.

In Madrid on Sunday, Juninho, the effervescent Tom Thum of Brazil's national squad, was scythed down from behind. Reduced to tears, stretched to the operating theater, he simply asked:

"Doctor, and the World Cup?"

Dr. Pedro Guillen might have replied, Son, forget the World Cup. He actually

### WORLD SOCCER

said: "We will have to see how things go." Then surgery laid bare the severity of the wounds: The fibula in the left leg was fractured, the ankle dislocated, ligaments twisted and torn.

"Doctor, and the World Cup?"

"Things were worse than expected," the surgeon had to admit. The injuries will require four months to heal. The World Cup is barely four months away. Since players must prove that their fitness and form are at peak, Juninho is realistically lost to the tournament.

So, in all probability, is Ciro Ferrara, the dependable Italian defender who, also on Sunday, broke both bones, the fibula and tibia, in his left leg.

"Doctor, and the World Cup?"

"I consider it almost impossible," said Riccardo Agricola, the Inventus team physician. "Injuries of this sort usually take five to six months for a full recovery to match fitness." The pain, like the injuries, is compound. What a competitive man feels in his bones is one thing, what burns in the mind and the heart is worse.

In Frankfurt, Matthias Sammer, the most elegant German libero for 30 years, was omitted from the list of 40 players named for World Cup preparation. He has wrestled all season with the doubts that so suddenly hit Juninho and Ferrara. The Borussia Dortmund player's left knee has been invaded by surgery four times. His one strand of encouragement is a pledge from Berti Vogts, the national trainer, that "the door will remain open for Sammer until the last minute."

Sammer refuses to count himself out. He will edge toward that open door, grimace and sweat in the gym, and keep asking the question.

"Doctor, and the World Cup?"

For Juninho, for Ferrara, the abruptness itself is a pain. One moment they are among the fittest athletes on earth, the next they are cut down. The question of culpability arises.

In Spain, there is a fury of recrimination. Juninho, whose name means Little Boy and alludes to his diminutive size — 5 feet 3, or 1 meter 60 — was kicked from behind, and the culprit, Celso Vigo defender Michel Salgado, got away with it.

With no hope of winning the ball, Salgado brought Juninho down to prevent a goal. The tackle was reckless at best, thuggish at worst. It is exactly the foul that soccer's governing body, FIFA, outlaws the crude, cowardly, one would say criminal behavior that ended the career of Marco van Basten and ruined the ankle of Diego Maradona.

Unforgivably, the referee did not issue a card of any color. "It was not my intention to hurt him," insisted Salgado, "but I suppose I should have got the red card." He supposes correctly.

Sadly, Juninho has months to reflect on why he left his English team, Middlesbrough, last year to play in Spain. It was straightforward. Juninho ached to be Brazil's playmaker, and he knew that to the Brazil coach Mario Zagallo, England was a backwater. Spain a regular viewing ground. He went for exposure and was exposed to serious harm.

Ferrara had no need to leave home. Italy's coach, Cesare Maldini, shared the conviction of everyone that Ferrara, a man of 44 caps, was close to indispensable.

At least Ferrara has no one to blame, nothing to curse him circumstance. As he waited at Lecce airport on Sunday before the flight back to

EDNESDAY, FEBRUARY 4, 1998

# World Cup? The Dream Can End in A Second

The Associated Press

Martin Brodeur stopped 21 shots for his fifth shutout of the season and 27th of his career as the New Jersey Devils beat the Ottawa Senators, 1-0.

"You play the game and hope to accomplish some achievements," said

NHL ROUNDUP

Brodeur, who is one of three goaltenders on Canada's Olympic squad. "Shutouts are one of them. It's a lot of fun."

Petr Sykora scored the game's only goal as New Jersey handed Ottawa its eighth shutout of the season. Sykora scored his 11th goal at 7:36 of the first period with the help of Doug Gilmour's assist, his first point in six games.

The victory gave New Jersey sole possession of first place in the Eastern Conference with 70 points. It also marked the end of a six-game road trip and a three-game winless streak for the Devils.

Senators 1, Kings 0 Another of Canada's Olympic goalies also backstopped his team to a 1-0 victory Monday. Curtis Joseph made 30 saves for the 200th victory of his National Hockey League career.

"I thought he was sensational," Edmonton coach Ron Low said of Joseph.

Dean McAmmond scored the only goal on a second-period power play, and Joseph made it stand up with his fourth shutout of the season.

Joseph was particularly sharp in the second period, stopping Los Angeles's Mattias Norstrom from point-blank range, thus frustrating the visiting Sabres.

The Sabres scored three goals in the first period for the first time this season, and the seven goals were their highest total this season.

Stars 5, Maple Leafs 1 Mike Modano

scored a goal and added three assists to lead Dallas to victory at Toronto.

Dallas entered the game with the league's most efficient power-play, but

it was the Stars' short-handed unit that

game unbeaten streak. Kruse, who went two months without a goal earlier this season, now has four in three games. He started and finished a three-goal second period against Penguins' goalie Tom Barraso, who was named the NHL player of the week earlier Monday.

Sabres 7, Lightning 3 Donald Audette

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## OBSERVER

### Media Meltdown

By Russell Baker

**NEW YORK** — Some foppish, maybe Baudelaire, once said he was unable to understand how any civilized person could pick up a newspaper without a shudder of disgust. Baudelaire was a 19th-century poet, but these past two weeks he could have been a modern American dandified speaking of what we now call "the media."

Has there ever been a more disgusting media meltdown? The president is alleged to have had illicit sexual relations with a younger woman, and — stop the presses! — it's Armageddon time.

Joke writers for television's midnight vaudeville shows have been wallowing in Joke-Writer Paradise. It doesn't have to be funny, just make it dirty, and see studio audiences roll in the aisles.

Suddenly it's all right to junk all rules of right by amplifying rumors floated by faceless well-poisoners identified only as "sources."

The same media that trumpet this stuff carry worried letters and editorial dithering asking, How can we ever explain these shocking things to our children? These are priceless examples of media struggling to appear high-minded while groping for rock bottom in the depths of hypocrisy.

Those pictures of witnesses and lawyers being overwhelmed by media hordes, for instance — they

must have made people all over the country recoil in horror at the thought of what could happen to them if, by some monstrous stroke of bad luck, they were ever to be involved in a news story.

How dreadful! How hilarious! We are seeing a total media meltdown, and what set it off? The idea of the leader of a Puritan nation in tireless, reckless pursuit of sex.

The ultimate joke, however, may be on the media. Whatever the outcome of the scandal, the press and television figure to be big losers in the long run.

The media have long been in bad odor, and in especially bad odor with conservatives. It's a rare day when several of those mad-dog talk-radio shows don't have a clutch of outraged conservatives flailing away at the hateful media.

□

During the past few days, however, cries equal to those have been pouring in from people sympathetic to the president.

The common belief of the right is that the media are a conspiracy of liberals soft on Democrats. If Democrats now start thinking of the media as part of Hillary Clinton's right-wing plot to destroy a Democratic presidency, it's another mind-set which, frankly, he does not want to learn. It's quicksand. In the world of subsidies, state or private, talking about our work and who you talk to about it is more important than the work itself. If he cannot just walk on stage or into a studio and make music, he would prefer to do something totally different. Something like hunting.

He grew up with hunting in St. Louis. In those days, you could find what Bowie calls "deep country" a mere 50 miles outside of town: "I have great memories of hunting with my father. We'd eat what we killed; there's something about the taste of the kill. I'm an opponent of sport hunting. But for a few dollars worth of shotgun shells, we had meat for weeks."

As a teenager in the 1950s, he went from a cap gun to a BB gun to a shotgun. He liked "to play John Wayne" and he admits now (he's 57) that he did some "evil things"

By Mike Zwerin  
International Herald Tribune

**PARIS** — Lester Bowie is a blue-collar trumpet player. A working-class musician. He gets paid for making music. Period. No frills, fanfares or tangents. He earnestly believes in this image and he hopes people see him that way.

That's not to say it hasn't been creative work. On the contrary. For some 30 years now, he's founded intelligent, groundbreaking bands — the Art Ensemble of Chicago for one; and, more recently, Lester Bowie's Brass Fantasy, which will release a new album titled "The Fire This Time" (WEA) this month.

His trademark stage costume is a white smock, a sort of lab coat like researchers and butchers wear. He continues to work hard to keep in good physical shape and the guys in his bands just never seem to stop blowing their horns on stage.

Never has he received a foundation grant or a subsidy. Not once. Of course, he's never applied either. Applying for grants in the arts is a full-time job and involves a vocabulary all its own. It's another mind-set which, frankly, he does not want to learn. It's quicksand.

In the world of subsidies, state or private, talking about our work and who you talk to about it is more important than the work itself. If he cannot just walk on stage or into a studio and make music, he would prefer to do something totally different. Something like hunting.

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As a teenager in the 1950s, he went from a cap gun to a BB gun to a shotgun. He liked "to play John Wayne" and he admits now (he's 57) that he did some "evil things"

as a child. He and his brother would go out and kill birds, for example. After awhile, killing birds began to make him physically ill, and by now he's become so ashamed of it that he "won't even step on a bug."

With his glasses, gray-speckled beard and shortly cropped hair he resembles a distinguished professor of African-American studies more than a superstar of free jazz. Free jazz was, or is, improvisation without rules. It remains part of his mix.

He has matured since he made his reputation as the guiding light behind the definitive free jazz group, the Art Ensemble of Chicago. He describes a free jazz musician, with an ironic smile, as "somebody you will never understand, and you certainly won't like him."

For the past few years, he has been spending most of his energy leading Brass Fantasy, playing what he calls "avant pop." Brass Fantasy is an extension of the traditional brass band. His father, now 92, was a high school band director, as was his father before him. Young Lester used to watch football games primarily to check out the marching bands during half-time.

In one recent Puerto Rican Day parade in New York, Bowie marched with his daughter in her junior high school band from 44th Street way up into the 90s. He hadn't had so much fun in years. Marching bands require continual blowing for hours at a time and he loves the way his muscles tingle; it's like working out. Years ago, he marched in American Legion and Salvation Army bands. The brass band is a very American tradition going back to John Philip Sousa and passing through Charles Ives and Bowie is proud to be part of it.

Instead of George Gershwin, Brass Fantasy plays Michael Jackson, Marilyn Manson and Madonna songs. "It's not about what I play," he says. "It's the way



Lester Bowie, no grants, no subsidies, just a working musician.

that I play it. It's not the repertoire, it's the interpretation."

Interpretations by the Art Ensemble of Chicago feature the visual as much as the musical. There is a strong African presence. The stage is full-up with all sorts of conventional and ethnic instruments. African ceremonial designs are painted on their faces. They

wear colorful robes and outlandish hats.

When the Ensemble moved here in 1969, Paris became its "second home." It was a "make it or die" sort of situation. A "now or never" commitment. Either they were going to be able to make a living playing their own honest music or forget the whole thing. The way it

worked out: Bowie never had to back up another soul singer, and there were no more Holiday Inn lounges or factory floors for anybody...

Bowie has raised six kids and sent "a bunch of them" through college (there are eight grandchildren): "I have homes and cars. My concerts are full. Always, always full. People hire me to come back because they've learned by now that they can make some money with me."

He's played sports arenas in Spain, the Olympic Stadium in Rome, Queen Elizabeth Hall in London, and 7,000 people came to hear Brass Fantasy at La Villette in Paris:

"We're playing for an informed audience," he says. "People know about the blues, reggae and World Music by now. They know about brass bands. Everybody's pretty much aware of this cross-cultural thing. I've never been able to understand the way record companies underestimate the intelligence of the listeners."

"People are catching up. They've got videos, they're reading books, they operate computers. The wheels in their heads are working. They've learned how to enjoy more than one thing. They say I can be a rock fan, I can appreciate Oscar Peterson, I like Pavarotti. And I want to buy Lester's record too."

Not one of the successful musicians he's grown up with and played with over the years, no matter how many successful concerts they've given, not one of them has been able to earn the freedom to create music to the limit of their talent. There's a lack of what he calls "dealing bread," money to invest in themselves like successful Hollywood actors invest in their own productions:

"People know that music needs personality. I'm here. I got personality. I only hope that one day I'll get the opportunity to show people what I can do. I mean really do."

## MOVIES

## A Grand Old Man of the Cinema at 22

By Justine Elias



Courtesy DeGale/The New York Times

**NEW YORK** — Twenty-four hours after a television interviewer introduced the 22-year-old writer and director Jake Kasdan as Hollywood's latest Wunderkind, he was being treated like some grand old man of cinema.

Three screenplays, accompanied by earnest pleas for help and advice, arrived at his hotel in Toronto, where he had traveled to promote "Zero Effect," his first film. The offbeat mystery, which opened on Friday in the United States, stars Bill Pullman as Daryl Zero, a brilliant, reclusive and eccentric private investigator who is at once terribly aware and afraid of the world around him.

While he can solve the most baffling cases, he is totally stymied by life's little intrusions — like those unsolicited manila envelopes at Kasdan's hotel. Those would drive a man like Zero to distraction, or farther into hiding.

Such is not the case with Kasdan. He is the son of Lawrence Kasdan, the writer and director of memorable films like "The Big Chill" and "Body Heat," and Meg Kasdan, who was a co-writer of one of her husband's other films, "Grand Canyon" (1991), whose screenplay was nominated for an Academy Award.

Like a true child of Hollywood, Jake Kasdan is aware of the unpleasant legal ramifications of reading unsolicited material. It simply isn't done. "From total strangers," said Kasdan, on a recent visit to New York. "I don't know what to do. I sort of put them in my suitcase and keep them sealed until I figure out the legally appropriate way to deal with this. I'm curious. though. I can just see myself calling all these people. Suddenly I've got all these calls to make!"

Kasdan speaks with authority on the vagaries of a moviemaker's life. His sophistication with business stands out in contrast with that of young directors who finance their films on their Visa cards, use scraps of film stock and enlist amateur actors who work free of charge.

Kasdan grew up in Los Angeles and on his father's film sets, where the unofficial Kasdan repertory company included Kevin Costner, Kevin Kline and Kathleen Turner. But he is anxious to say that it was his screenplay and not his surname that won him his first movie deal.

Rather than endure the surefire rejection of blindly submitting unsolicited material to film studios, Kasdan showed his earliest screenplays to a handful of agents until he found one who would represent him. "It makes perfect sense to me that people want to know about my family," he said genially. "I am really young to be a movie director. I've been around movies my whole life. To me, that part of the story seems like a side note. I wasn't such an irresistible property as a filmmaker prior to this. Really, all that happened was I wrote this script and found all these people to make it — actors, producers, a studio. They liked the script."

Some of those supporters were, in fact, encountered early on. Jake Kasdan was only 13 years old in 1988 when he met

ing the film, Kasdan said, his goal was to create a mystery story that didn't strictly fit into the hot-blooded neo-noir genre.

As "Zero Effect" begins, Daryl Zero is a detective who solves his cases without leaving his cluttered, claustrophobic Los Angeles apartment, preferring to deal with his clients via a trusted go-between (Ben Stiller). But when an Oregon timber tycoon (Ryan O'Neal) calls on him to find his lost keys, Zero cautiously agrees to venture outdoors, all the way to the Pacific Northwest.

This seemingly simple case involving blackmail doesn't proceed as planned. Zero, who says he has mastered the fine art of detachment, finds himself drawn to a young paramedic (Kim Dickens) who seems to be connected to this intrigue. "To me," Kasdan said of the film, "it's only half a mystery story. It is a hybrid; it's as much a love story as it is anything."

Mystery or love story, "what's extraordinary about this movie is that it hasn't been through the studio mill," said Kasdan. "I'm lucky not to be a victim of interpretation." He added, "It's a pretty clear interpretation of what I originally wrote. I know a lot of screenwriters, and I go completely nuts on the subject of what screenwriters go through. But you don't want to wave your Uzi with ridiculous rage when the studio doesn't deserve it."

Justine Elias, a staff writer for *Us* magazine, wrote this for The New York Times.

**T**WO celebrity photographers who pursued the actor Arnold Schwarzenegger and his wife, the television personality Maria Shriver, through streets in Los Angeles were convicted of misdemeanor false imprisonment charges by a judge who branded the paparazzi's actions "outrageous." The photographers — Andrew O'Brien and Giles Harrison — were accused of boxing in the couple's car in an effort to videotape them outside their son's Santa Monica preschool. The judge said their interference could have led to "serious consequences" for Schwarzenegger, who only a week before had checked out of a hospital after undergoing open-heart surgery. The photographers were each convicted of two counts of misdemeanor false imprisonment, and Harrison was also convicted of reckless driving. Sentencing was set for Feb. 25.

Catherine Deneuve will be honored for her life's work at the Berlin film festival, which opens Feb. 11, officials announced Tuesday. Thirteen films starring the actress will be shown during the festival, including Roman Polanski's "Repulsion," which won a Silver Bear at the 1965 festival. The actor Ben Kingsley will chair the jury and announce the award winners on Feb. 22.

Postage stamps commemorating the life of Diana, Princess of Wales, went on sale around the world Tuesday. Britain's Post Office has produced 170 million examples of the five 26-pence (41-cent) stamps bearing portraits of the princess. Profits from the sales will go to Diana's memorial fund. Early estimates that 120 million stamps would be required were revised after the huge number of advance orders at post offices in Britain and philatelic agents worldwide. The pictures are taken from photographs by Lord Snowdon, Terence Donovan, John Stillwell and Tim Graham.

The condition of Daniel Baldwin was

## PEOPLE



**ROYAL EVENT** — Princess Stephanie cutting into the cake at her 35th birthday celebration at the Sporting Club in Monaco.

Jersey to perform at a sold-out benefit concert. Some 1,400 fans paid \$125 per ticket. The check was for the family of Sergeant Pat King.

A group of schoolchildren gave Mayor Rudolph Giuliani the wrong answer about honesty as he thanked a New York taxi driver for returning more than \$10,000 in lost cash to a Belgian tourist, Syed Shah, the driver, found \$10,042, a Belgian passport and a leather bag and reported it to the police. The money was returned to an elderly woman tourist.

"Now, if you found that money, what would you do?" Giuliani asked the children, guests for the morning at City Hall. "Keep it!" they replied in unison. With the audience laughing, the mayor told the elementary schoolchildren: "No, no, the reason we have Mr. Shah here is to teach you a different answer."

Promoters of the troubled Reggae Sunsplash festival in Jamaica are invoking the name of Bob Marley in the hope of boosting sales for the 20th-anniversary event. Sunsplash organizers have collaborated with the Bob Marley Foundation to base this year's show on the reggae king's birthday. Marley, who died of cancer in 1981, would have been 53 on Feb. 6. The four-day festival officially starts that day in Ocho Rios, on the northern coast. After five sluggish years, the festival was canceled in 1997, when the Jamaica Tourist Board chose to support rival Reggae Sunfest in Montego Bay, and Sunsplash pushed back its 20th-anniversary celebration to February.

Former President Jimmy Carter is in Atlanta for treatment of an "aggravating and persistent" skin rash. He has had the rash for about six months and it hasn't responded to a variety of outpatient treatments. Doctors have already determined that it is not indicative of a serious medical condition, a spokesman for the hospital said.

Now, four decades after the movie "High Society," the Broadway revival of "My Fair Lady" is stepping into Hepburn's glisteningly elegant shoes. Daniel McDonald, who made his Broadway debut last season opposite Karen Ziemba in "Steel Pier," is Dexter.

Drinking, cheating, social climbing, parent-child strife, the ruthlessly invasive paparazzi, scandal-mongering and blackmail: These are very contemporary themes you discover when you look into the abyss under the show's champagne and bubbles. But it's all softened by nostalgia and by the heightened sense of propriety that colored American manners during the little lisp between the Depression and World War II, when American life seemed to have found a precarious stability.

"It was a wonderful period, the end of the '30s, when things were on the verge of a big change," Renshaw observed. "It was the beginning of



Melissa Errico in "High Society."

## Who Wants to Be a Millionaire? Everybody in 'High Society'

By Stephen Holden  
New York Times Service

**N**EW YORK — "Who wants to be a millionaire?" asks a delightfully cheeky Cole Porter song from the 1956 movie musical "High Society." Of course, the answer to that question is the same today as it was then: almost everybody.

Retooled and expanded with additional songs from the Porter catalogue, the movie, which updated Philip Barry's play "The Philadelphia Story," has been turned into a Broadway-bound musical that provides the same voyeuristic insider's view of wealth and its discontents.

Is there a bigger cliché nowadays than the rich, fast-living celebrity who checks into a rehab clinic for a career-saving dryout? The 1939 Barry play, "The Philadelphia Story," written four decades before the Betty Ford Center opened and began to soften our rigid attitudes about sobriety and morality, touches lightly but tellingly on the vices and dalliances of the idle rich in a more innocent and puritanical era.

The leading male character, C.K. Dexter Haven (originally played on

adding at least 10 more from the Porter catalogue. The setting is now Oyster Bay, Long Island, the better to accentuate the show's sailing imagery.

Melissa Errico, best known for playing Eliza Doolittle in a recent Broadway revival of "My Fair Lady," is stepping into Hepburn's glisteningly elegant shoes. Daniel McDonald, who made his Broadway debut last season opposite Karen Ziemba in "Steel Pier," is Dexter.

Drinking, cheating, social climbing, parent-child strife, the ruthlessly invasive paparazzi, scandal-mongering and blackmail: These are very contemporary themes you discover when you look into the abyss under the show's champagne and bubbles. But it's all softened by nostalgia and by the heightened sense of propriety that colored American manners during the little lisp between the Depression and World War II, when American life seemed to have found a precarious stability.

"It was a wonderful period, the end of the '30s, when things were on the verge of a big change," Renshaw observed. "It was the beginning of

